

AMENDING SECTION 301 OF TITLE 37, UNITED STATES
CODE, RELATING TO INCENTIVE PAY, TO ATTRACT
AND RETAIN VOLUNTEERS FOR AVIATION CREW
MEMBER DUTIES, AND FOR OTHER PURPOSES

FEBRUARY 13, 1974.—Committed to the Committee of the Whole House on the
State of the Union and ordered to be printed

Mr. STRATTON, from the Committee on Armed Services,
submitted the following

REPORT

together with

MINORITY VIEWS

[To accompany H.R. 12670]

The Committee on Armed Services, to whom was referred the bill (H.R. 12670) to amend section 301 of title 37, United States Code, relating to incentive pay, to attract and retain volunteers for aviation crewmember duties, and for other purposes, having considered the same, reports favorably thereon without amendment and recommends that the bill do pass.

PURPOSE

The purpose of the bill is to restructure the flight-pay system of the Armed Forces so as to achieve a more equitable distribution of flight pay and increase the ability of the Armed Forces to attract and retain officer aviator crewmembers.

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PRINCIPAL FEATURES OF H.R. 12670

H.R. 12670 restructures the flight-pay system of the Armed Forces in the following manner:

New section of title 37

H.R. 12670 removes flight pay for officers from section 301 of title 37, United States Code, which provides "incentive pay: hazardous duty" and puts it in a new section 301a which provides for "incentive pay: aviation career." The new section thus recognizes the committee's desire to define flight pay as not simply recompense for undergoing occasional hazardous duty but as an incentive pay for undertaking a career that is, on a continuing basis, more hazardous than other service careers and at the same time involves a capacity to absorb special professional training which represents a considerable investment on the part of the Government in both money and time.

Flight-pay rates based on aviation service

H.R. 12670 bases flight pay on years of officer aviation service in contrast to the present system which provides flight pay on the basis of rank and longevity. This assures that officers will be paid flight pay based on their aviation service and that officers who begin aviation training later in their career will not receive higher rates of flight pay because of their rank without regard to aviation experience.

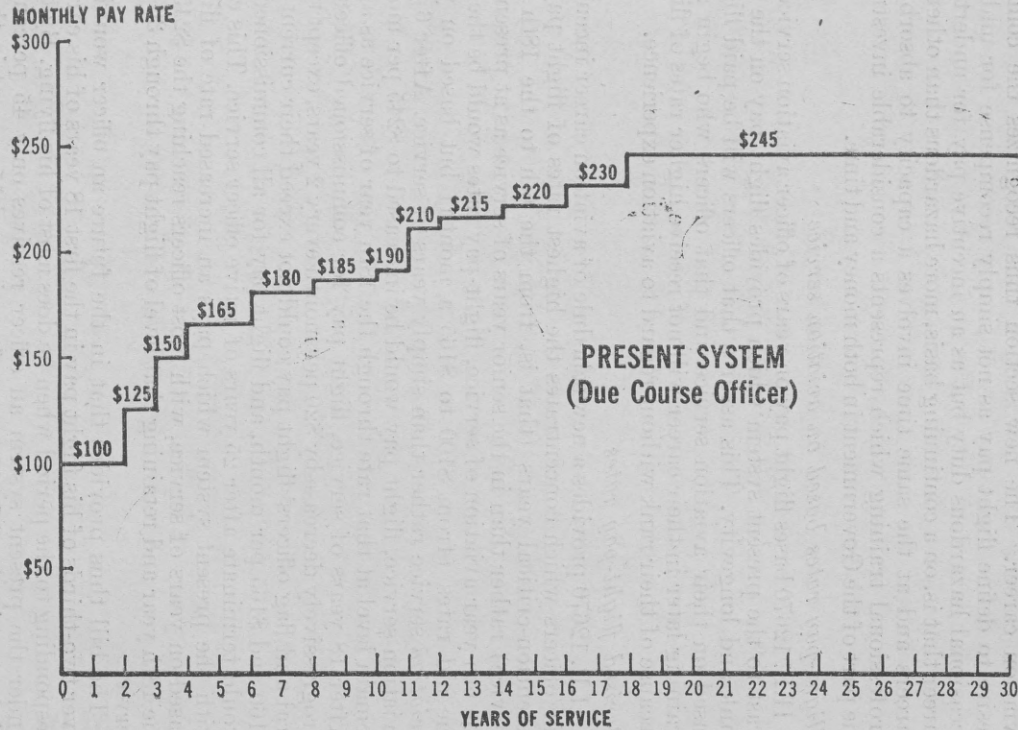
Revised flight-pay rates

H.R. 12670 provides a new schedule of aviation career incentive pay for officers which concentrates the highest rates of flight pay in the retention-critical years (that is, from the 6th to the 18th year of service) rather than in the senior years of service as at present. Up to the 6th year aviation of service, flight-pay rates would be the same as the old rates (from \$100 to \$165 a month) but based on years of aviation service rather than simply years of service. After 6 years of aviation service, flight pay would be increased to \$245 per month and remain level at that rate through the 18th year of service as an officer. After 18 years of service, flight pay for commissioned officers would progressively decrease by \$20 per month every 2 years, except that general and flag officers' flight pay could not exceed their current rates of \$160 and \$165 per month, and flight pay for all commissioned officers would terminate after 25 years of active officer service. This contrasts with the present system which pays an increased rate of flight pay based on years of service, with most officers reaching the \$245 rate at the 18th year and retaining that level of flight pay through 30 years of service.

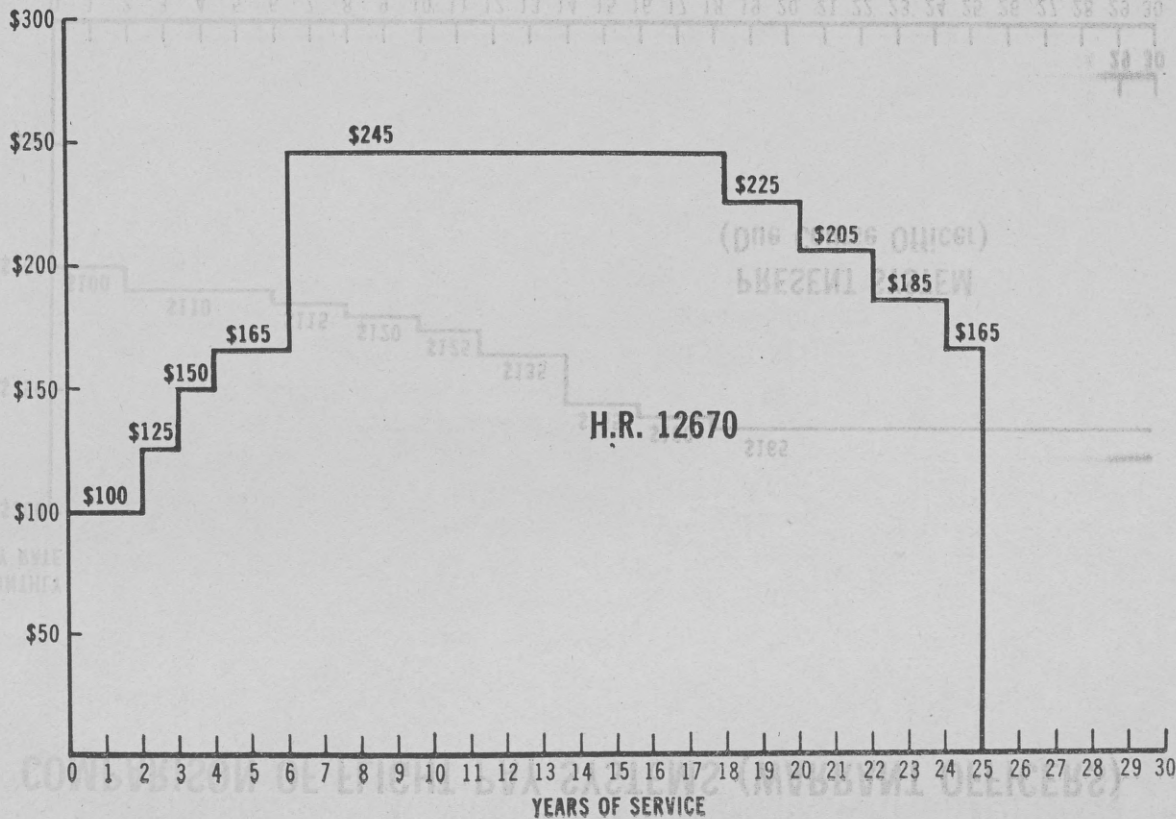
The bill thus provides that in the future an officer would receive over two-thirds of his flight pay in the first 18 years of his career, corresponding to the period when he does most of his flying. By contrast, under the present system an officer receives only 45 percent of his flight pay in the first 16 years of service and 55 percent in the last 14 years of service, after he has completed most of his flying assignments.

The accompanying charts show the progressive flight-pay attained by an officer over a normal career—in which he is advanced according to average promotion points—under the present system and under the system as provided by H.R. 12670. (A due course officer is one advanced at normal promotion points, neither ahead or behind his contemporaries.)

COMPARISON OF FLIGHT PAY SYSTEM (COMMISSIONED OFFICERS)

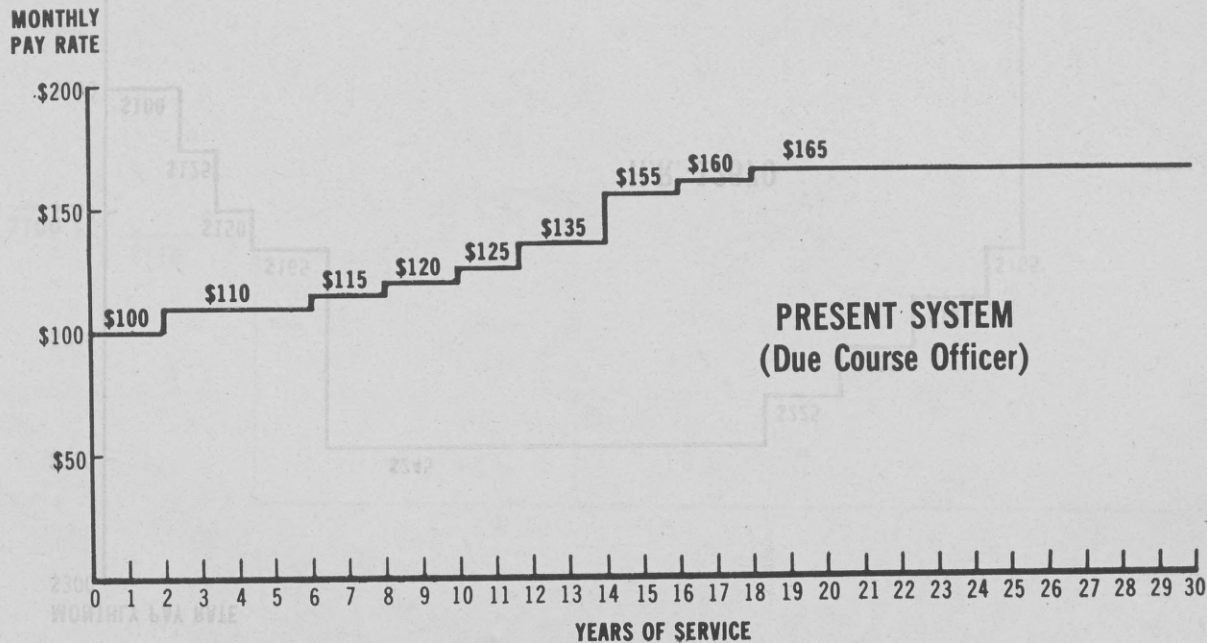


MONTHLY PAY RATE

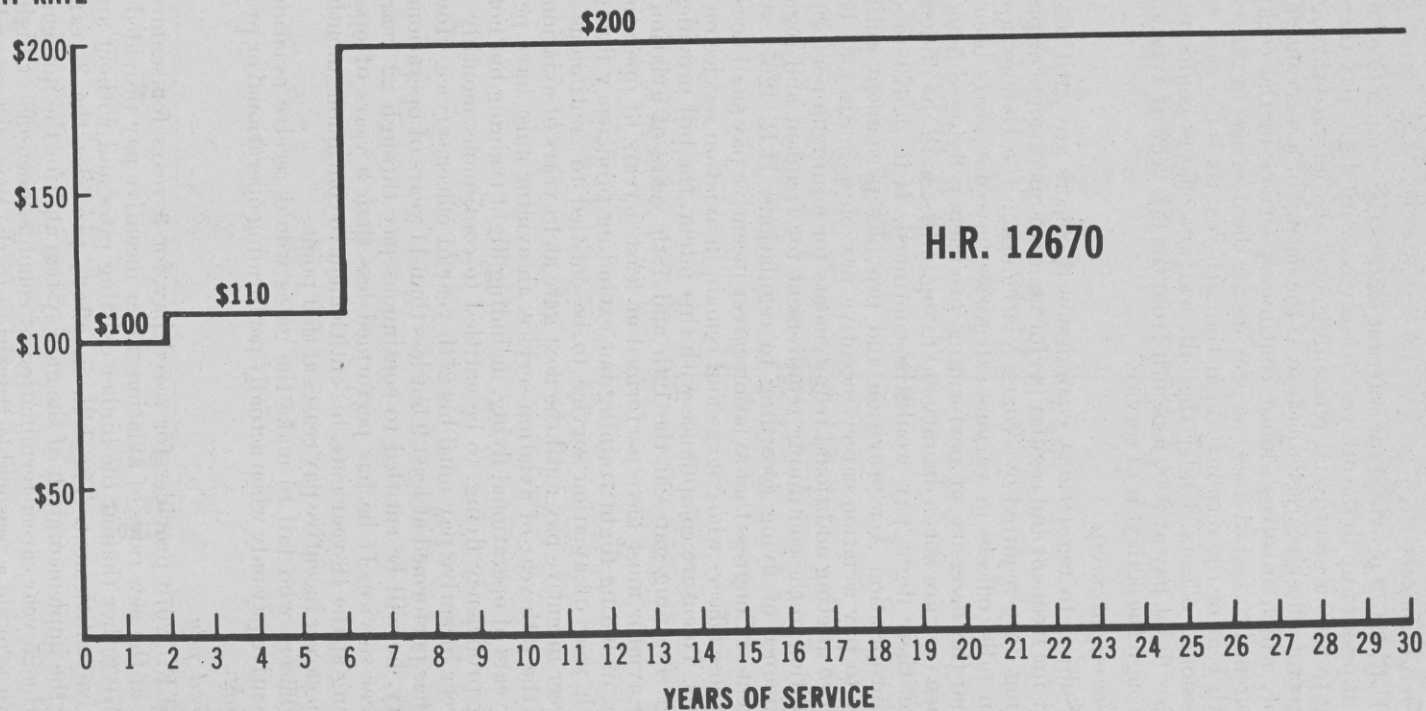


H.R. 12670

COMPARISON OF FLIGHT PAY SYSTEMS (WARRANT OFFICERS)



**MONTHLY
PAY RATE**



Warrant officers

H.R. 12670 provides for warrant officers the same rate of flight pay as at present up to the 6th year of service, with flight pay then increasing to \$200 a month and remaining level at that rate throughout the warrant officer's career. Because of the nature of a warrant officer's career, which involves almost continuous service in the cockpit until retirement, the bill does not provide for the decrease in rates after the 18th year or the termination at the 25th year as is the case with commissioned officers. Under the bill, warrant officers could continue to draw flight pay at \$200 a month from the 6th year of aviation service through the 30th year of service.

Excusal authority

Subject to regulations, commissioned officers are entitled to flight pay for frequent and regular performance of operational or proficiency flying duty required by orders. Via riders in the Defense appropriation bills, officers in various categories have for years been excused from the necessity of performing proficiency flying during periods when they are not in operational flying billets, with the understanding that their flight pay would be continued. H.R. 12670 repeals this Appropriation Act provision and provides permanent authority in law to pay aviation career incentive pay on a continuous basis subject to meeting additional requirements for minimum performance, in addition to the continuing requirement for frequent and regular performance of flying according to regulations. H.R. 12670 states the intent of Congress that aviation career incentive pay shall be restricted to those officers who engage and remain in aviation service on a career basis. To ensure compliance with this intent, the bill provides for career screening gates at the 12th and 18th years of aviation service. An aviator must have performed at least 6 years of operational flying, including flight training but excluding proficiency flying, at the 12th year of aviation service to be entitled to continuous aviation career incentive pay until the next gate at 18 years of aviation service. At the 18th year of aviation service, an aviator must have performed 11 years of operational flying, including flight training but not including proficiency flying, to be entitled to continuous monthly aviation career incentive pay until his 25th year of officer service. However, if he has performed at least 9 but less than 11 years of operational flying duty, he will be entitled to continuous pay through 22 years of his officer service. If he has performed less than 9 years of operational flying at the 18-year gate, his entitlement to continuous monthly aviation career incentive pay ceases at that point.

Officers who fail to make the gates would receive aviation career incentive pay only when actually performing operational or proficiency flying.

Saved pay

H.R. 12670 provides for saved pay for 3 years for senior officers, but at the new rates of aviation career incentive pay provided in H.R. 12670 rather than at the higher existing rates and without any retroactive entitlement. The bill, in effect, provides the 3-year period for the implementation of the gate system and for the implementation of the 25-year career termination of commissioned-officer flight pay so as to provide a reasonable transition to the new system and avoid a

precipitate cutting-off of flight pay for those who would come up against the gates shortly after enactment and who, in the past, have been clearly led to expect flight pay on a career basis.

Effective date and annual report

Effective date of the bill is the first of the month following enactment.

The bill requires an annual report from the Secretary of Defense on the number of officers who have 12 and 18 years of aviation service and of those, the number who are entitled to continuous flight pay and the number who are engaged in operational or proficiency flying.

BACKGROUND

The present system of flight pay provides for increases over a man's career based on rank and years of service without regard for the frequency of flight activity. The result is that the major portion of flight pay is received after the 18th year of service and after the aviator has completed the greater portion of his career flying.

The current system was established by the Career Compensation Act of 1949. The system was modified in the Career Incentive Act of 1955 to provide for longevity increases in flight pay. The flight-pay table has not been changed since 1955, although the basis for eligibility has been modified.

Flight-pay eligibility and excusal policy

The Career Compensation Act of 1949 established eligibility for aviation pay by the requirement for "frequent and regular participation in aerial flight." This, in turn, was defined by executive order as meaning 4 hours of flight per month, a qualification standard which actually dates back to 1922. Basically, the ruling meant that all aviation crewmembers had to fly for pay.

Following the Korean war, the requirement for aviation crewmembers was reduced significantly although the inventory of crewmembers remained high. In addition, the advent of jet aircraft in significant numbers made the satisfaction of flying-performance requirements more costly than it had been before the war. In recognition of this situation, the Defense Department Appropriation Act for fiscal year 1954 contained a provision (section 628 of Public Law 83-179) which authorized the payment of aviation career incentive pay to rated officers with over 20 years of service or in remote duty assignments while excusing them from the requirement to meet the flying-performance minimum. This appropriations rider inaugurated the so-called excusal policy; that is, rated pilots were excused from flying performance requirements while continuing to get flight pay. The purpose of this action by the Appropriations Committee was to save on the operations and maintenance costs which were significantly greater than the cost of the flight pay involved.

This provision was reenacted annually until fiscal year 1962. The Defense Appropriation Act for fiscal year 1962 contained a provision (section 614 of Public Law 87-144) which further liberalized the excusal authority to include officers with 15 or more years of rated service. Again, the purpose of this further liberalization of the excusal policy was to save on the operations and maintenance costs of

aircraft which would otherwise be used to allow these officers to perform proficiency flying.

Rep. Robert L. F. Sikes of Florida, a member of the Appropriations Committee, who joined the committee prior to 1954, testified on the present flight-pay proposal. He stated that the purpose of the 1954 and 1962 riders was solely to save money on proficiency flying and that it was clearly understood by the Appropriations Committee at the time that those who were excused from proficiency flying would continue to receive flight pay.

In each year from fiscal year 1962 through fiscal year 1971 a provision similar to section 614 of Public Law 87-144 was reenacted.

In the Defense Appropriation Act for fiscal year 1972 the Appropriations Committee further expanded the excusal policy with a provision (section 715 of Public Law 92-204) which made mandatory the excusal and prohibition from flying of all aviation crewmembers not assigned to duties requiring the maintenance of basic flying skills, except those needed to perform proficiency flying "in anticipation of assignment to combat operations." In addition, fliers who were students in courses of longer than 90 days were prohibited from proficiency flying. The legislation increased the number of fliers excused from maintaining minimum flight hours but did not prohibit them from continuing the receipt of flight pay.

Neither in this nor in the subsequent year's legislation did the committee define the term "combat operations."

It is thus clear from this history of Appropriations Committee action, which in each case was confirmed by the Congress, that the policy of continuing to pay flight pay for officers not in flying billets was a policy implemented with the annual acquiescence of Congress.

Cutoff of flight pay for senior officers not in flight status

In the Defense Appropriation Act of fiscal year 1973, enacted on October 26, 1972, there was included a provision (section 715 of Public Law 92-570) which continued all of the mandatory excusal provisions of the 1972 law but added a clause prohibiting, after May 31, 1973, the payment of flight pay to officers in the grade of O-6 and above who were assigned to duties not requiring the maintenance of basic flying skills. The provision thus prohibited officers in the grade of O-6 and above from proficiency flying and, in addition, denied them flight pay if they were not in operational flying billets.

The House Appropriations Committee, in its report on the legislation, expressed its continued concern with the cost of proficiency flying and indicated that millions of dollars had been saved by limiting proficiency flying to those personnel who could reasonably be expected to be reassigned to flying duties. The committee's report noted that the fiscal year 1972 act had allowed "the payment of flight pay to rated officers irrespective of the restrictions on performance of proficiency flying." The committee then recommended, however, that flight pay be discontinued for mandatorily excused officers in the rank of colonel or Navy captain and above.

Delay in submitting the Defense Department legislative proposal

In concurring with the House action in section 715, the Senate Committee on Appropriations expressed the view that the Department of

Defense should review the areas of "incentive pay, the performance requirements for receiving such pay and the inequities resulting under the existing statutory provisions, and early in the next session, submit to the Congress a proposal to correct these inequities." The committee went on:

"However, the committee recognizes that it would not be fair to the individuals concerned to deny flight pay to those officers in pay grade O-6 and above as proposed in the House provision which provides no time for review and legislative action. Therefore, the committee recommends that the House provision be amended to delay the effective date until June 1, 1973. It is the view of the committee that this amendment provides adequate time for legislative action on this matter."

The conference agreed to the Senate position and the conference report on the legislation, therefore, included May 31, 1973, as the date for the termination of flight pay for officers in the rank of colonel/Navy captain and above in noncombat assignments.

The Department of Defense delayed the submission of proposed legislation until May 17, 1973. Since the Department of Defense proposals arrived less than 2 weeks before the deadline for cutoff of flight pay for senior officers, it was impossible to enact legislation in time to prohibit a sudden cutoff of flight pay for some senior officers.

House rejection of June 1 extension

Because there was not time to consider the flight-pay proposal prior to the May 31, 1973, termination date for flight pay for senior officers the Committee on Armed Services, in reporting H.R. 8537 to the House, recommended an amendment which would have extended the flight-pay deadline until December 31, 1973. The House, on June 28, 1973 rejected this amendment by a vote of 238-175. Therefore, officers in the grade of O-6 and above when not in operational flying billets have not received flight pay since June 1, 1973.

HEARINGS AND FIELD TRIPS

Hearings were held by Subcommittee No. 4 of the Committee on Armed Services on H.R. 8593, the legislative proposal of the Department of Defense. H.R. 12670 is a clean bill incorporating committee changes.

Hearings were held in Washington on July 26 and 27; August 2; and September 11, 12, 13, 19, 25, 26, 27 and 28, 1973. Testimony was received from senior military and civilian officials of the Department of Defense, and 13 Members of Congress testified or submitted statements for the record.

In addition to the hearings in Washington, the subcommittee, in order to get the views of junior- and middle-grade pilots who would be choosing a career under a restructured system, journeyed to the U.S.S. *Kitty Hawk* at San Diego; Seymour Johnson Air Force Base, North Carolina; Fort Rucker, Alabama; and Charleston Air Force Base, South Carolina; and took testimony from groups of pilots at all locations. Army, Navy, Air Force and Marine Corps pilots were heard. The subcommittee talked to junior-officer personnel without any senior officers present so as to assure a frank exchange of views.

A number of outside organizations also presented their views to the subcommittee.

On December 13, 1973, a hearing was held in Washington to get the views of the military departments on the committee changes in H.R. 8593.

SHORTCOMINGS OF PRESENT SYSTEM

The action by the Appropriations Committee and the House in forcing reevaluation of flight pay has had a salutary effect in that the hearings have spotlighted shortcomings in the existing aviation-pay system.

It was found that the present system is not cost-effective in terms of retention. The services have had chronic difficulty in retaining an adequate number of high-quality personnel in the earlier years of service prior to, and particularly during, the time an officer makes his career decision. The attraction and retention difficulties vary from service to service and from year to year. The committee found that generally the services attract a sufficient number of initial volunteers for flight training although the Navy has had some difficulty in recent years. However, the committee found the services have from time to time experienced difficulty in retaining officers who are past their obligated service, generally officers in the 6-to-12-years-of-service range. Since the cost investment in training pilots is very heavy, ranging generally from \$100,000 to \$500,000 per man depending upon the type of training, a system that does not retain pilots in these years immediately after their obligated service—when cockpit utilization is high—is not cost-effective.

The present system, by paying flight pay on the basis of rank and years of service, is inequitable as well as being unsound from a retention standpoint. The more junior officers necessarily perform most of the operational flying, and the majority of an aviation officer's flying duties are concentrated in the earlier years of his career. But under the existing system the lower amounts of aviation pay are paid to these junior officers who do most of the flying while field-grade officers who perform considerably less operational flying are paid the highest amount of flight pay. As an example, an officer who enters aviation duty immediately upon entering the service and who is promoted according to normal promotion phasepoints would, under the existing system, receive 45 percent of his lifetime flight pay during his first 16 years of service and receive 55 percent of his flight pay during his last 14 years of service and 55 percent during his last 14 years of service. In effect, the system rewards the survivors for duties performed early in their careers but shortchanges members who perform substantially the same duty but who have dropped out of the aviation force for one reason or another.

IMPROVEMENTS MADE BY H.R. 12670

H.R. 12670 would correct the shortcomings of the present system by providing a major portion of an officer's aviation career incentive pay during the years when he does most of his flying. Under the bill, an officer would receive more than two-thirds of his aviation career incentive pay during the first 18 years of aviation service. In addition, the bill awards aviation career incentive pay on the basis

of aviation service without regard to grade or longevity. This would eliminate the shortcoming of the present system in giving an advantage of higher incentive-pay rates to those who enter an aviation career relatively later in their commissioned service rather than at the beginning of their service as is normal.

The revised pay table created by H.R. 12670 would pay the highest incentive rates to personnel at the completion of the first tour of obligated aviation service. Thus, the high rate would begin at the point where the officer normally makes his decision to choose a military career and would, therefore, have a greater retention impact. This concentrates the high rates in the poor-retention years and at the same time is more equitable because it pays the highest rates during the years when the officer does the most flying.

It should be noted that under this bill the increase in flight pay after 6 years is based on aviation service, while the beginning of the stepdown at the 18-year point is based on the 18th year of officer service. The reason for this is that active officer service is a proxy for age. At this advanced age flying is lessened as the man advances in grade, and retention is very high; therefore, higher rates of flight pay are not required or equitable.

Restrictions on flight pay for senior officers

The committee viewed the action of the House, by its vote of June 28, 1973, which rejected an extension of flight pay under the old rates for senior officers, as an imperative to the committee to restructure the flight-pay system to make it more equitable. In line with this imperative, H.R. 12670 creates a system which severely restricts the flight pay for senior officers in comparison with the system which has been in effect for many years.

As already mentioned, under H.R. 12670 an officer would receive 66 percent of his flight pay in his first 18 years of aviation service. In addition, all flight pay is cut off for commissioned officers at 25 years of officer service regardless of assignments beyond that point.

Further, in order to draw continuous flight pay to 25 years of officer service, a commissioned officer must have had at least 11 years of operational flying at the 18-year screening gate. If he has had between 9 and 11 years of operational flying time, his flight pay would be terminated after 22 years of officer service. If he has had less than 9 years of operational flying, his continuous flight pay would terminate at that point. Up to the 25th year of service, commissioned officers would receive flight pay if specifically assigned to operational or proficiency flying. Operational billets are relatively scarce for senior officers and officers in the senior grades are not normally assigned to proficiency flying.

The bill also provides for the gradual reduction in flight pay starting at the completion of 18 years of service as an officer. The rate reduces to \$225 per month at the 18-year point; \$205 per month at the 20-year point; \$185 per month at the 22-year point; and \$165 per month at the 24-year point, with all flight pay terminating after 25 years of service. Thus, officers in the rank of colonel or Navy captain—even if qualified for flight pay—would receive considerably less than under the present system, which pays them \$245 per month through 30 years of service.

As a further restriction, the bill continues the provision of current law which sets the maximum flight pay for O-7's (brigadier general,

rear admiral, lower half) at \$160 per month and for O-8's (major general; rear admiral, upper half; or higher) at \$165 per month.

The committee believes, therefore, that the bill is responsive to the imperative of the House in eliminating the inequities in the flight pay system.

EFFECT OF H.R. 12670 ON GENERAL AND ADMIRALS

Because of the termination of aviation career incentive pay after 25 years of officer service, the effect of H.R. 12670 on general and flag officers in particular will be more severe than the current restrictions on flight pay by section 715 of the Defense Appropriations Act of 1973 and 1974. Under the section 715 restrictions, over 75 percent of general and flag officers were denied flight pay on the basis of not being assigned to operational flying duties. H.R. 12670, on the other hand, would deny aviation career incentive pay to over 80 percent of general and flag officers on the basis of having over 25 years of officer service.

In other words, only 18 percent of the general and flag officers who were receiving flight pay prior to May 31, 1973, would be entitled to aviation career incentive pay under H.R. 12670.

The committee found that the bulk of a member's active flying was in the early years of his career, and that, therefore, the incentive pay ought to be concentrated there. Older officers, on the other hand, particularly generals and admirals, were overwhelmingly managers and supervisors who were not expected to perform sustained operational flying to perform their jobs, and therefore required no incentive pay beyond the 25-years-of-service point.

Alternatives considered

As will be seen, H.R. 12670 proposes a lifestream-earnings approach to flight pay. That is, a commissioned officer will receive flight pay on a continuous basis over an aviation career of up to 25 years, of officer service subject to meeting the required minimums. The committee considered a number of alternative approaches, such as a so-called 2-track system which would provide a minimum amount of incentive pay at all times with considerably higher rates during the time an officer is actually in an operational flying status. This 2-track alternative was developed by the committee in response to the criticism expressed in the House that flight pay should be paid only while one is actually engaged in flying and should not be paid to someone in a nonflying staff job. This approach is used by some other countries, and the committee found it not without merit. However, the committee rejected this alternative and opted for a lifestream-earnings approach because the hearings showed that junior-officer aviators were overwhelmingly opposed to a 2-track system.

It must be remembered that one of the principal purposes of aviation career incentive pay is to attract and retain outstanding young men in an aviation career. This is a career which over a lifetime has considerably more hazards than most careers and a career for which the training requires a very heavy investment on the part of the Government. Training costs for advanced jet pilots can run as high as half a million dollars.

In overwhelming numbers, junior officers—who have completed their training and are in the period when they are making career deci-

sion—to tell the committee that they did not want a 2-track approach but wanted a continuous-pay system where they would have some reasonable certainty as to the level of income they could expect. Even when it was explained that under the 2-track system the life-time earnings would be as much, and even considering the economic advantage of having a greater amount of income at an earlier point in time, the younger pilots still voted overwhelmingly for a lifestream system.

The committee, therefore, concluded that it would not be rational to vote a retention incentive on a basis rejected by those the incentive is designed to retain.

The hearings on the flight-pay bill are available as House Armed Services Committee document No. 93-20 and contain the testimony of numerous junior-and middle-grade officers. Reading the views of these officers will be an enlightening experience for Members of the House.

Career screening gates an additional standard

The new section of title 37 created by the bill, section 301a, continues the language of previous law which requires that, subject to regulations prescribed by the President, a member of the uniformed services is entitled to aviation career incentive pay for frequent and regular performance of operational and proficiency flying required by orders. Pursuant to this language in law, each service has in effect specific regulations which require the aviation graduate to be assigned to operational flying duty upon completion of flight training. For example, Air Force regulations require that graduate pilots and navigators be assigned to primary air-crew duty—that is, cockpit duty—for 5 consecutive years on the completion of their training. Navy and Marine Corps policy in this regard is that assignment to duty involving flying is considered automatic upon initial designation as a flying officer. In addition, junior-officer aviators who are assigned to staff positions following their initial operational tour are generally assigned to proficiency flying in expectation of return to operational flying assignments following their staff tour.

The committee's hearings and discussions with individual aviators in the junior years of service made it clear that junior aviators perform a substantial amount of operational or proficiency flying. The committee, therefore, though it considered such an approach, elected not to establish a screening gate at the 6-year point or at other points prior to the 12th year as it did not appear to be at all necessary to assure an adequate amount of flying time and it might have had the effect of reducing the incentive for junior officers during the retention-critical years.

Administration of screening standards

The committee recognizes that the "gate" or screening concept is somewhat complex and that questions may arise concerning the administration of the screening standards. Therefore, to ensure fair and equitable treatment of the present aviation force, the intent of the committee is as follows:

Upon enactment of this bill, aviation officers in those specific year groups with 12 and 18 years of aviation service will be examined

by each service to determine their aviation career pay status. This procedure will be repeated annually. Thus, 2 years of all aviation-service year groups (12 and 18) will be examined each year. The aviation pay of those officers who fail to meet the screening standards during the first 3 years of operation of the law will be protected from the total loss of aviation career incentive pay because of the saved-pay section of the bill. As the aviation-service year groups progress, the entire aviation force will be screened twice during their careers.

It is not the intent of the committee to have the Department of Defense review the entire aviation community upon enactment or for any year thereafter.

The committee recognizes further that there would be career uncertainty and considerable administrative costs in reviewing the records of all of those who are past the 12th and 18th year of service. In addition to career uncertainty, there would be some inequity in retroactively applying screening standards. It is the committee's clear understanding, therefore, that for those who are past the 12th and 18th-years-of-service points at the time of enactment will be presumed to have "made" the gates for those points. In this regard, it is noted that those who have passed the 18-year point will come on to the flight-pay system at the new rates rather than the higher rates of existing law.

Flight pay when engaged in operational or proficiency flying

It should be understood that within the 25 year aviation career incentive pay period officers are entitled to flight pay when performing operational or proficiency flying pursuant to orders even if they have previously failed to make a "gate." Obviously it would not be fair to deny flight pay to one who has been ordered to participate in flying during the 25 year aviation career period.

Determination of operational flying positions

By including the clause "as determined by the Secretary concerned" in the definition of operational flying, the committee recognizes that from a practical standpoint the Secretary of a military department must necessarily bear the primary responsibility for the determination of which positions are considered to require operational flying. However, the committee intends and expects the Secretary of Defense to continue to administer the aviation-requirements determination process, and the inclusion of this language is not to be construed as abridging the authority of the Secretary of Defense in any way. Nor is this language intended to abridge the authority of the Secretary of Defense pay to one who has been ordered to participate in flying during the 25 year aviation career period.

SAVED-PAY PROVISION

Section 4 of the bill contains the saved-pay provision.

Clause 1 of section 4 is designed for officers with less than 12 years of officer service but 6 or less years of aviation service and entitles such officers to the rate of flight pay in the bill or the rate they were receiving prior to passage of the bill, whichever is higher. The purpose of this section is to assure that officers who have several more years of officer service than of aviation service but who are still in the

retention-critical years do not receive a cut in flight pay as a result of enactment of the bill. The clause provides, therefore, that they could stay under the old rate until they reach a comparable or superior pay status under the new system. However, an officer in this status would not be entitled to pay increases as a result of longevity or promotion until such time as the rate of flight pay he is entitled to under the new bill is equal or superior to what he has been getting under the old system. The section, therefore, simply protects against the loss of income for an officer in the flight-intensive, retention-critical years.

Clause 2 of section 4 of the bill provides, in effect, a 3-year phase-in of the new system and, therefore, protects the more senior officers from a precipitate cutting-off of their flight pay. The clause provides that if an officer has more than 6 years of aviation service or less than 6 years of aviation service but more than 12 years' service as an officer, he is entitled to the pay rates in the new bill or \$165 a month, whichever is greater, for up to 36 months.

GROUNDING OF ENLISTED CREW MEMBERS IN THE AIR FORCE

The present legislation concerns flight pay for commissioned-officer and warrant-officer personnel. Enlisted personnel receive incentive pay for hazardous duty under a separate pay scale and on the basis of receiving the incentive pay only when flying. Obtaining an adequate number of volunteers for flight duty among enlisted personnel in the Armed Forces has not been a problem; and their training as regards their flight duty is, in most cases, relatively low in cost and shorter in terms of training time than is the case with officer personnel. Enlisted personnel, in addition, hold a particular specialty, and such additional compensation as may be required because of retention shortages in their specialty is paid through other methods, such as proficiency pay or enlistment or reenlistment bonuses.

However, testimony from the Air Force Sergeants Association brought to the attention of the committee a situation in the Air Force involving the precipitate removal from flying duty of enlisted air crew members after extended periods of continuous flying duty.

In December of 1971, for example, 607 Air Force enlisted air crew members were informed of their removal from flying duty. In some cases, notice of as little as a few days was given to the personnel involved, resulting in a sudden and unexpected loss of income.

The committee believes this was an example of insensitive and unnecessary personnel administration and can certainly be avoided with proper personnel planning. The committee recognizes that there would not be a sound basis for establishing an excusal program for enlisted personnel; but the committee strongly believes there should be a reasonable period of transition between notification of involuntary removal from flying duty and termination of flight pay, particularly in cases where the personnel involved have been flying for an extended period of years.

The committee directs, therefore, that the Department of Defense establish, by regulation, a requirement that enlisted men cannot be involuntarily removed from flying duty with less than 120 days' notice. The committee wants its intentions in this regard very clearly under-

stood. It wants such regulation placed into effect on a priority basis, and it wishes to be informed of any delay on the part of any of the military departments in effecting such a policy change. The committee further directs that the departments study their policy to assure that in cases where an enlisted man has been on flight status for an extended period of years, he receive additional advance notice of a change in his status whenever possible.

PER DIEM PAYMENTS TO AIR FORCE ENLISTED PERSONNEL

For a considerable period of time, the Committee on Armed Services has heard complaints of inequities in connection with payment of per diem to enlisted personnel. Testimony was heard, during the hearings on the instant legislation, of inequities in payment of enlisted per diem during temporary-duty (TDY) assignments.

The legal concept of how Basic Allowance for Subsistence (BAS) is paid to officers and enlisted personnel has been clearly established for some years. When an officer comes on active duty, he understands that he will subsist himself, while the law requires that the Government subsist an enlisted member. Thus, when the Government does not subsist the enlisted member, it must reimburse him. This concept has resulted in Government mess facilities being made available to enlisted members at the majority of bases. For example, 92 percent of the Air Force bases maintain an enlisted dining facility, while only 9 percent maintain an officer dining facility.

The concept of payment of BAS has resulted in a difference in actual per diem payments for officers and enlisted personnel while on TDY because per diem rates vary based on whether Government facilities (quarters and messing) are available and are utilized. One of the problems which has been brought to the committee's attention has apparently resulted from the difficulty and inconsistency in applying Defense Department regulations pertaining to whether use of a Government mess is "impracticable" or whether such use would "adversely affect" performance of the particular mission. In this regard, it is Defense Department policy that available Government facilities be used to the maximum extent possible by TDY personnel. The maximum per diem rate of \$25 is reduced depending on the availability of Government facilities (quarters or messing).

Although the Air Force testified that a review of their regulations and command supplements revealed no requirement to change basic policies or procedures, it is apparent to the committee that in some cases inequities have occurred because of the inconsistent application of regulations.

Another inequity is apparent in this matter when one looks at the net result of per diem payments to officers and enlisted personnel. For example, in a situation in which both Government quarters and Government mess are available to officers and enlisted personnel, the officer's per diem rate is \$6, while the enlisted man is paid at a rate of \$2. For 3 meals in a Government mess, the officer pays \$4.05, while the enlisted man who is authorized BAS pays \$1.65, thus leaving the officer with \$1.95 remaining and the enlisted man 35 cents. To give another example, in a case where a Government mess is not available, both the

officer and the enlisted man are paid at a rate of \$11.80. However, while the officer gets to keep his full \$47.88 monthly subsistence allowance, the enlisted man has \$1.65 subtracted from his \$11.80 per diem rate as an offset against his monthly subsistence allowance. As was pointed out by the Defense Department witness, this is simply an inconsistency in the way the law functions which has "no rational explanation."

The Air Force has indicated that it is conducting a "Test Feeding Program" at Shaw Air Force Base, South Carolina. In this program, enlisted personnel are authorized to receive their BAS with the option of either purchasing their meals from a Government mess which is operated as a cafeteria (food sold by item rather than complete meal) or from a civilian establishment. The results of this test, which are due in June 1974, might provide useful ideas for changes in the system.

In the meantime, however, the committee directs the Department of Defense, through its Per Diem, Travel and Transportation Allowance Committee or such other mechanism as appears appropriate, to review the per diem for enlisted personnel on TDY. The committee believes that a system which has caused such consistent dissatisfaction over so long a period of time is capable of improvement in administration and the committee is not satisfied that the Defense Department Per Diem, Travel and Transportation Allowance Committee has properly performed its functions in this area. The committee wishes to receive a report from the Department of Defense no later than September 1, 1974, on what administrative steps have been taken to bring about substantial improvement in the administration of per diem in the Air Force.

USE OF TEMPORARY-DUTY (TDY) ASSIGNMENTS BY THE AIR FORCE

During the hearings information was received indicating that the Air Force has been assigning personnel to Southeast Asia on a repeated TDY basis. In one case an airman served 4 TDY tours in Southeast Asia between November 1971 and August 1973, for a total of 513 days out of a possible 640. In another case an airman served 21 out of 25 months on TDY in Thailand.

From these and similar cases, it appears to the committee that the Air Force TDY policy was inequitable in requiring more service in Southeast Asia than regulation would have demanded had the members been assigned on a permanent-change-of-station (PCS) basis. (Regulations provide that at the conclusion of a remote unaccompanied PCS assignment of 12 months, a member cannot be reassigned involuntarily to a similar remote tour until he has served at least 12 months on an accompanied PCS tour.) However, Defense Department regulations limit TDY assignments to 6 months or less with only a 60-day residency in Continental United States (CONUS) (waiverable to 30 days) required before an individual can be involuntarily reassigned TDY.

In testimony, Air Force officials acknowledged that with hindsight they can now see where use of TDY in some instances could have been averted. It is the Air Force position, however, that the reasons the general-purpose forces are deployed in a TDY status are that it provides a means of rapid response to a sudden surge in operational sortie requirements and that the length of these surge requirements is

indeterminate. The Air Force also defends its decision to deploy Strategic Air Command (SAC) crews TDY on the basis that it provided proficiency flying to those personnel who could reasonably be the dual capability of fulfilling the Southeast Asia mission while retaining the capability to respond to SAC's primary strategic role.

The committee recognizes that with the end of U.S. involvement in the Southeast Asia conflict, pursuit of this issue may have the flavor of shutting the barn door after the horse has escaped. The committee believes, however, that the effect of the Air Force policy, regardless of how well intended, was to create considerable inequity and hardship for many of its members. The burdens of war and family separation are never easy, but they should be as fairly distributed as possible. Inequities created by excessive use of TDY may very likely have a direct impact on retention of affected flying personnel and thus work against the purposes of the present legislation and against the efforts to achieve an all volunteer force.

The committee is not satisfied that the excessive use of TDY can be considered as entirely due to the Southeast Asia conflict. In any case, the committee directs that the Air Force undertake a complete reevaluation of assignment policies with a view to minimizing the use of TDY tours in the future and, in particular, holding repeated TDY assignments to a minimum.

COMPARISON OF H.R. 12670 AND THE DOD PROPOSAL

The bill proposed by the Department of Defense, introduced as H.R. 8593, was designed to address the shortcomings of the present flight-pay system; and the committee's bill, H.R. 12670, is a modification of H.R. 8593.

H.R. 12670 incorporates the revised aviation career incentive pay table proposed by the Department of Defense and the approach of basing flight pay on "aviation service" rather than on rank and longevity. H.R. 12670 also accepts the Defense Department proposal to retain the current maximums on flight pay for general officers.

In the committee's judgment, however, the bill submitted by the Department of Defense failed to adequately define the purpose of flight pay, lacked standards for ensuring the minimum amount of operational flying that was performed during an aviation career, failed to face the excused problem squarely, and did not oversee variations in its saved-pay provisions. Consequently, in H.R. 12670 the committee has included the career screening gates at the 12th and 18th year of aviation service to ensure that the aviator has met a minimum performance standard, in addition to the normal requirements of regulations authorized by law. At the same time, the committee repealed the last section of section 715 of Public Laws 92-570 and 93-238, and provided in law for continuous monthly aviation career incentive pay for officers, thus eliminating the need for annual renewal of the excusal authority. The committee also placed aviation career incentive pay in a separate section of title 37 to differentiate it from incentive pay solely for hazardous duty. In addition, the committee provided the saved pay for senior officers on the new rates in H.R. 12670 rather than the more generous provisions proposed by the Department of Defense and determined that there shall be no retroactive saved pay.

The committee bill places Reserve-component and National Guard officers under the same aviation career incentive pay system as active duty officers, including the rate stepdowns and the 25-year termination. The Defense Department proposal would have provided that the stepdown and termination for senior officers would only be applied to Reserve officers on the basis of years of active officer service. The committee could find no basis for giving Reserve officers a special advantage over active duty officers in flight pay and believes that such an approach would be inconsistent with the desire to treat Reservists on an equal basis with active duty members whenever possible.

The Defense Department bill provided that warrant officers, like commissioned officers, would retain the present pay rates up to the 6th year of aviation service, would go to the maximum rate at 6 years and continue with that maximum rate throughout their careers with no stepdown at the 18th year of service and with no termination of flight pay after 25 years, as is the case with commissioned officers. The committee accepted this level-payment approach for warrant officers; however, the committee increased the maximum monthly rate of pay for warrant officers to \$200 rather than the \$165 in the Defense Department bill.

The committee bill entitles physicians and other medical officers to aviation career incentive pay when they are performing operational flying duties. The bill excludes physicians and other medical officers from receiving continuous aviation incentive pay since they are recompensed for their special skills under other special pay incentives. Specifically, the committee will be considering shortly Senate-passed legislation to provide increases in monthly special pay for medical officers, as well as annual bonuses of \$10,000 for such officers.

The following table compares the Defense Department proposal, H.R. 8593, and the bill as reported, H.R. 12670:

COMPARISON OF H.R. 8593 AND H.R. 12670

H.R. 8593 (Defense proposal)

Provision remains as "incentive pay: hazardous duty."
 Pays for aviation service, independent of grade.
 First 6 years of service paid at rates identical to existing system.
 Highest rates (\$245 per month) paid to commissioned officers during 6-18 years of aviation service, unless 18 years of officer service comes first.
 For commissioned officers, decreasing rates (\$20/month every 2 years) after 18 years of officer service.
 For commissioned officers, termination of pay after 25 years of officer service.
 General officers authorized pay no higher than current rates.
 Nothing comparable.

Nothing comparable.

H.R. 12670

Establishes new section in law titled "Incentive pay: aviation career."

Same.

Same.

Same.

Same.

Same.

Same.

Aviation career incentive is purpose of pay; improve attraction and retention for a career more hazardous than most in peacetime.

To qualify for continuous pay, officer must have 6 years of operational flying duty at 12 years and 11 years of operational flying duty at 18 years of aviation service, however, if an officer has at least 9 but less than 11 years of operational flying duty at the 18-year point, he is entitled to continuous pay through 22 years of officer service.

H.R. 8593 (Defense proposal)

Retroactive pay at existing rates for those officers affected adversely by section 715 from May 31, 1973, to date of enactment of the bill.

Highest rates (\$165 per month) paid to warrant officers after 6 years of aviation service.

No stepdown or termination provision for warrant officers.

Reserve officers rates same system as active duty officers, except that stepdown and termination based on years of active officer service.

Junior officer (i.e., less than 6 years aviation service and less than 12 years of officer service) saved pay based on current pay rates.

Senior officer (over 12 years of officer service) saved pay rates limited to 36 months at current pay rates.

Nothing comparable.

Nothing comparable.

Nothing comparable.

H.R. 12670

This provision stricken, as well as excusal authority of section 715. Replaced by "gate" concept and no retroactive pay.

Same, except that highest rates increased from \$165 to \$200 per month.

Same.

Reserve officers treated identically as active duty officer counterparts, including stepdown and termination.

Same.

Senior officer (over 12 years of officer service) saved pay rates limited to 36 months at proposed aviation center incentive pay rates.

Secretary of Defense required to report annually on number of officers authorized to receive continuous pay after screening of 12 and 18 years of aviation service groups, and also numbers of aviators performing operational and proficiency flying.

Defines operational and proficiency flying duty.

Physicians and medical officers entitled to aviation career incentive pay only when performing operational or proficiency flying duties.

COMMITTEE POSITION

The Committee on Armed Services, a quorum being present, approved the bill H.R. 12670 by a vote of 34-4 with one member voting present.

FISCAL DATA

H.R. 12670 will eventually result in a decrease in the annual cost of flight pay.

As compared with the flight-pay system in effect prior to the enactment of section 715 of Public Law 92-570, the Defense appropriation act rider which cut off flight pay for senior aviators in nonflying billets as of last May 31, H.R. 12670 results in an immediate reduction in flight-pay costs; and the eventual annual cost under the new system will be about \$16 million less. The committee considers this comparison significant as section 715 was clearly designed as an interim measure pending revision of the flight-pay system.

As compared to the existing system with section 715 in effect, as has been the case since last May 31, H.R. 12670 results in a temporary increase in flight-pay costs because of the saved-pay provision. However, when the saved pay is no longer a factor, the new system created by H.R. 12670 will cost less than the existing system with section 715 in effect.

Flight-pay costs for fiscal year 1974, assuming an April 1 effective date, will be \$216.7 million if H.R. 12670 is passed. Without H.R. 12670, the cost for the fiscal year 1974 existing system will be \$213 million.

Five-year cost projection

In compliance with section 7 of rule 13 of the House of Representatives, following is a 5-year cost projection of the bill as compared with the present system, both with and without section 715 of Public Law 92-570 in effect. The tables assume an April 1, 1974, effective date for H.R. 12670.

COSTS COMPARED TO EXISTING SYSTEM WITHOUT SEC. 715
(In millions of dollars)

	Fiscal year—				
	1974	1975	1976	1977	1978
Present system.....	227.5	222.2	216.4	212.1	206.8
H.R. 12670.....	216.7	220.4	214.2	201.5	190.7
Difference.....	-10.8	-1.8	-2.2	-10.6	-16.1

COSTS COMPARED TO EXISTING SYSTEM WITH SEC. 715

	Fiscal year—				
	1974	1975	1976	1977	1978
Present system.....	213.0	206.1	201.8	198.9	194.2
H.R. 12670.....	216.7	220.4	214.2	201.5	190.7
Difference.....	+3.7	+14.3	+12.4	+2.6	-3.5

It should be understood that the increased cost for H.R. 12670, as compared to the existing system through fiscal year 1977, is accounted for by the saved-pay provisions. Without saved pay, the new system would be cheaper immediately than the present system.

The following table illustrates the portion of the total cost of the system under H.R. 12670 which is accounted for by saved pay for fiscal years 1975 through 1978.

(In thousands of dollars)

	Fiscal year—			
	1975	1976	1977	1978
Base proposal	208.7	203.8	196.0	190.7
Saved pay	11.7	10.4	5.5	.01
Total	220.4	214.2	201.5	190.7

As compared with the proposal of the Department of Defense, the cost of H.R. 12670 would be somewhat less overall for the first 3 years of operation. The proposal of the Department of Defense would have cost \$226.1 million in fiscal year 1975 compared to the \$220.4 million of the committee's bill. The increase for the Defense proposal would have been due primarily to the increased cost of saved pay for senior officers under the Defense Department proposal.

The one area where H.R. 12670 is more costly than the proposal of the Department of Defense is in the higher rates contained for warrant officers, which adds approximately \$1 million a year to the cost of the committee's bill.

DEPARTMENTAL DATA

H.R. 12670 is a modification of a legislative proposal submitted by the Department of Defense by letter dated May 17, 1973. The major provisions of the Defense proposal are incorporated in H.R. 12670. By letter dated December 6, 1973, the Defense Department expressed its objections to the career screening gates as originally considered by the committee and by letter dated January 9, 1974, the Department of Defense indicated that, while preferring a more flexible standard, it was prepared to support a 50 percent operational flying requirement at the career screening gates. The letters from the Department of Defense follow and are hereby made a part of this report. Elsewhere in this report there will be found a discussion of the difference between H.R. 12670 and the DOD proposal.

GENERAL COUNSEL OF THE DEPARTMENT OF DEFENSE,
Washington, D.C., May 17, 1973.

HON. CARL ALBERT,
Speaker of the House of Representatives,
Washington, D.C.

DEAR MR. SPEAKER: There are forwarded herewith drafts of proposed legislation "To amend section 715 of the Department of Defense Appropriation Act 1973, to extend until December 31, 1973, the date after which members in the rank of colonel or equivalent or above (O-3) in noncombat assignments are no longer entitled to flight pay prescribed under section 301 of title 37, United States Code", and "To amend section 301 of title 37, United States Code, relating to incentive pay, to attract and retain volunteers for aviation crewmember duties, and for other purposes."

These proposals are part of the Department of Defense legislative program for the 93rd Congress. The Office of Management and Budget

advises that, from the standpoint of the Administration program, there is no objection to the presentation of these proposals for the consideration of the Congress. It is recommended that these proposals be enacted.

PURPOSE OF THE LEGISLATION

The purpose of the legislation is to extend from May 31, 1973 until December 31, 1973, the effective date for terminating flight pay for colonels and equivalent (O-6) and above in noncombat assignments and to restructure the present flight pay system in order to make it more effective in today's environment. The proposed legislation also responds to Congressional criticism of the existing flight pay system as expressed in section 715 of the Department of Defense Appropriation Act, 1973 (P.L. 92-570).

The Senate Report on H.R. 16593 stated, with respect to section 715, "It is the view of the committee that the Department of Defense should review the entire area of incentive pay, the performance requirements for receiving such pay, and the inequities resulting under the existing statutory provisions, and early in the next session, submit to the Congress a proposal to correct these inequities." (Senate Report No. 92-1243, page 7.)

The topic of special and incentive pays was the subject of the 1971 Quadrennial Review of Military Compensation. These 1971 studies, including the *Study of Flight Pay (Crewmember)* and *Submarine Duty Pay*, were transmitted to the Congress on January 25, 1972. Pursuant to the Senate Report on section 715, the Department of Defense completed a careful review of flight pay for aviation crewmembers.

The recent review confirmed that retention shortfalls after the completion of the first obligated tour of duty and manning deficiencies in the critical mid-career years of service, identified and documented in the Quadrennial Review, continue to exist. The recent review, as well as the Quadrennial Review, reaffirms the need to restructure the incentive pay rates to address these deficiencies. It should be noted that the retention and manning shortfalls are concentrated in the Department of the Navy and the Department of the Air Force. The Department of the Army does not at this time have a similar problem.

The particularly arduous pressures for aviation personnel that existed over the past ten years are expected to be eased somewhat now that United States involvement in Southeast Asia is expected to be phased out since the United States has withdrawn its ground combat forces from Vietnam. The expected improvement in duty assignments and other measures to improve the attractiveness of military service in an all-volunteer environment might, together with the restructured flight pay rates, produce an improvement in aviation personnel retention greater than can be expected from the adjustment of rates only. This combination of measures might prove adequate for the immediate future. However, should all of these measures in combination still prove inadequate, the Department of Defense has recommended the enactment of the proposed Uniformed Services Special Pay Act which would provide for additional monetary incentives (i.e., the Officer Variable Incentive Pay) to address inadequate retention in any critical skill area, including aviation. Should the Department of De-

fense be required to use the latter authority, it would be used only in such amount as might be required to alleviate the retention problem.

The attached interim legislation would extend from May 31, 1973, until December 31, 1973, the effective date for terminating flight pay for colonels and equivalent (O-6) and above in noncombat assignments.

This interim legislation is urgently required for reasons of equity. Unless new legislation is enacted prior to June 1, 1973, the effect will be to reduce the monthly pay of the officers affected (O-6 and above) by denying them flight pay after May 31 without adequate consideration; a result characterized in Senate Report No. 92-1243 as unfair. By acting on the interim proposal before May 31, the Congress would avoid this inequitable result and prevent a premature loss of flight pay by several thousand officers. It would also provide adequate time for orderly consideration by the Congress during the remainder of 1973 of the proposed substantive revision of the flight pay system.

The substantive Bill, therefore, carries an effective date of January 1, 1974. Its principal features, particularly those that differ from existing law are:

Payment of flight pay on the basis of years of aviation service (rather than service by grade and longevity computed for pay purposes by section 205, title 37) until 18 years of active officer service.

For both commissioned and warrant officers, the highest rates of incentive pay begin after 6 years of aviation service rather than at about 18 years of service for pay purposes, as is the case today. The six years of aviation service point generally coincides with the expiration of the first obligated tour of duty, and the higher rates address the inadequate retention issue at that point.

A gradual decline of pay rates from 18 years of active officer service on the basis of years of active officer service, rather than remaining on the higher rates.

Termination of all flight pay (crewmember) after the completion of 25 years of active officer service, rather than payment for a full military career of 30 years or more.

No increases in the flight pay rates of general and flag officers over the existing rates, although some of these officers could receive lower rates of pay.

A warrant officer flight pay scale adjusted proportionately to the pay changes of commissioned officers. However, since warrant officer aviators remain in operational aviation duties throughout their careers, no 25 year flight pay cut-off is made. Warrant officer aviators will continue to be paid for their full flying careers on the basis of aviation service rather than service for pay purposes (section 205, title 37, United States Code).

The proposed legislation would provide for a three-year transition period with save-pay provisions for those officers faced with pay reductions or denial of pay. This equity provision provides sufficient lead time for the affected officers to adjust financially and should coincide with the expiration of the current tour of duty of the majority of the officers affected.

The proposed legislation would eliminate the existing language terminating entitlement to flight pay of officers of the grade O-6

(colonels or equivalent) and above as unneeded because of the changes proposed by this legislation.

The Department of Defense recognizes that the proposed legislation might not be the final answer to the aviation manning problem. The Department will continue to monitor closely the aviation crew-member retention experience of the separate services. Should retention decline and the circumstances warrant, the Department of Defense would take the additional steps including, if necessary, appropriate legislative recommendations to the Congress. Conversely, if the retention experience improves as anticipated, then the Department of Defense will lower the initial pilot training rate as appropriate. Any improved retention in the aviation community is highly cost effective compared to increased training of pilots. The training investment in a Navy jet fighter, for example, is \$799,000; this is more than ten times the cost of a full lifetime flight pay earnings of that pilot. Clearly, financial incentives that improve retention and avoid such high training costs will be a more efficient way to man adequately the aviation force.

COST AND BUDGET

The proposed legislation can be accommodated within the authorized amounts of the President's budget for FY 1974. The FY 1974 budget estimate includes \$227.5 million of the estimated total DoD cost. The balance of \$4.8 million will be absorbed within the FY 1974 funds available to the military departments.

5-YEAR COST ESTIMATE

[In millions of dollars]

	Fiscal year—				
	1974	1975	1976	1977	1978
Proposal.....	215.3	215.7	209.4	206.1	200.2
Saved pay.....	17.0	19.5	19.4	10.4	2.5
Total DOD cost.....	232.3	235.2	228.8	216.5	202.7
Net cost change.....	-4.8	-13.0	-12.4	-4.4	+4.1

In addition, savings from potential retention improvements have not been included in the estimate above; thus, savings may appear sooner and be more significant than shown here.

Sincerely,

L. NIEDERLEHNER,
For J. FRED BUZHARDT.

A Bill To amend section 715 of the Department of Defense Appropriation Act, 1973, to extend until December 31, 1973 the date after which members in the rank of colonel or equivalent or above (O-6) in noncombat assignments are no longer entitled to the flight pay prescribed under section 301 of title 37, United States Code.

Be it enacted by the Senate and House of Representatives of the United States in Congress assembled, That section 715 of the Department of Defense Appropriation Act, 1973 (86 Stat. 1199) is amended

by striking out the phrase "after May 31, 1973" and inserting in lieu thereof the phrase "after December 31, 1973".

SEC. 2. This Act is effective May 31, 1973.

SECTIONAL ANALYSIS

Section 1 amends the existing section 715 of the Department of Defense Appropriations Act of 1973 (P.L. 92-570) by changing the prescribed date for terminating the payment of flight pay to colonels or equivalent or above (O-6) in noncombat assignments from May 31, 1973, to December 31, 1973.

Section 2 prescribes the effective date of this Act.

A BILL To amend section 301 of title 37, United States Code, relating to incentive pay, to attract and retain volunteers for aviation crewmember duties, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 301 (b) of title 37, United States Code, is amended to read as follows:

"(b) A member who satisfies the requirements for a hazardous duty described in subsection (a) (1) of this section is entitled to monthly incentive pay as follows:

"(1) For an officer in pay grades O-1 through O-6 who is qualified under subsection (a) (1) of this section:

"Phase I

	Years of aviation service (including flight training) as an officer
"Monthly rate:	
\$100-----	2 or less.
125-----	Over 2.
150-----	Over 3.
165-----	Over 4.
245-----	Over 6.

"Phase II

	Years of active service as an officer
"Monthly rate:	
\$225-----	Over 18.
205-----	Over 20.
185-----	Over 22.
165-----	Over 24 but not over 25.

"An officer is entitled to the rates in phase I of this table until he has completed 18 years of active service as an officer, after which his entitlement is as prescribed by the rates in phase II, except that an officer does not become entitled to the rates in phase II of this table until he has first completed at least six years of aviation service as an officer. An officer in a pay grade above O-6 is entitled, until he completes 25 years of active service as an officer, to be paid at the rates set forth in this table, except that an officer in pay grade O-7 may not be

paid at a rate greater than \$160 a month, and an officer in pay grade O-8, or above, may not be paid at a rate greater than \$165 a month.

"(2) For a warrant officer who is qualified under subsection (a) (1) of this section:

"Monthly rate:		Years of aviation service as an officer
\$100-----	-----	2 or less.
110-----	-----	Over 2.
165-----	-----	Over 6.

"(3) For an enlisted member who is qualified under subsection (a) (1), and a member who is qualified under subsection (a) (2) or (3) of this section:

"COMMISSIONED OFFICERS

"Pay grade	Years of service computed under sec. 205													
	2 or less	Over 2	Over 3	Over 4	Over 6	Over 8	Over 10	Over 12	Over 14	Over 16	Over 18	Over 22	Over 26	Over 30
O-10-----	\$165	\$165	\$165	\$165	\$165	\$165	\$165	\$165	\$165	\$165	\$165	\$165	\$165	\$165
O-9-----	165	165	165	165	165	165	165	165	165	165	165	165	165	165
O-8-----	155	155	165	165	165	165	165	165	165	165	165	165	165	165
O-7-----	150	150	160	160	160	160	160	160	160	160	160	160	160	160
O-6-----	200	200	215	215	215	215	215	215	215	220	245	245	245	245
O-5-----	190	190	205	205	205	205	205	210	225	230	245	245	245	245
O-4-----	170	170	185	185	185	195	210	215	220	230	240	240	240	245
O-3-----	145	145	155	165	180	185	190	200	205	205	205	205	205	200
O-2-----	115	125	150	150	160	165	170	180	185	185	185	185	185	185
O-1-----	100	105	135	135	140	145	155	160	170	170	170	170	170	170

"WARRANT OFFICERS

"Pay grade	Years of service computed under sec. 205														
	2 or less	Over 2	Over 3	Over 4	Over 6	Over 8	Over 10	Over 12	Over 14	Over 16	Over 18	Over 22	Over 26	Over 30	
W-4-----	\$115	\$115	\$115	\$115	\$120	\$125	\$135	\$145	\$155	\$160	\$165	\$165	\$165	\$165	
W-3-----	110	115	115	115	120	120	125	135	140	140	140	140	140	140	
W-2-----	105	110	110	110	115	120	125	130	135	135	135	135	135	135	
W-1-----	100	105	105	105	110	120	125	130	130	130	130	130	130	130	

"ENLISTED MEMBERS

"Pay grade	Years of service computed under sec. 205													
	2 or less	Over 2	Over 3	Over 4	Over 6	Over 8	Over 10	Over 12	Over 14	Over 16	Over 18	Over 22	Over 26	Over 30
E-9-----	\$105	\$105	\$105	\$105	\$105	\$105	\$105	\$105	\$105	\$105	\$105	\$105	\$105	\$105
E-8-----	105	105	105	105	105	105	105	105	105	105	105	105	105	105
E-7-----	80	85	85	85	90	95	100	105	105	105	105	105	105	105
E-6-----	70	75	75	80	85	90	95	95	100	100	100	100	100	100
E-5-----	60	70	70	80	80	85	90	95	95	95	95	95	95	95
E-4-----	55	65	65	70	75	80	80	80	80	80	80	80	80	80
E-3-----	55	60	60	60	60	60	60	60	60	60	60	60	60	60
E-2-----	50	60	60	60	60	60	60	60	60	60	60	60	60	60
E-1-----	50	55	55	55	55	55	55	55	55	55	55	55	55	55
E-1 (under 4 months)-----	50													
Aviation cadets-----	50													

"For the purposes of clauses (1) and (2) of this subsection, the years of aviation service are computed beginning with the effective date of the initial order to perform flying duties as an officer."

SEC. 2. The last sentence of section 715 of the Department of Defense Appropriation Act, 1973 (86 Stat. 1199), is amended by striking out "except, after May 31, 1973, those of the rank of Colonel or equivalent or above (O-6) in noncombat assignments".

SEC. 3. Notwithstanding the amendments made by this Act, an officer who was entitled to incentive pay under section 301(a)(1) of title 37, United States Code, on the day before the effective date of this Act, if otherwise qualified, is entitled to either of the following:

(1) If credited with less than seven years of aviation service as an officer and with less than 15 years of active service as an officer, he is entitled to monthly incentive pay at either—

(A) the amount he was receiving under section 301(b) of that title on the day before the effective date of this Act, with no entitlement after the effective date of this Act to any longevity pay increases or to increases as a result of promotion to a higher grade, until such time as the rate to which he is entitled under section 301(b) of that title as amended by this Act is equal to or greater than the amount he was receiving under that section on the day before the effective date of this Act, after which his entitlement shall be as prescribed by that section as amended by this Act; or

(B) the rate prescribed by that section as amended by this Act;

whichever is higher. However, an officer described in clause (1) of this section who has 12 or more years of active service as an officer may continue to receive the amount he was receiving under that section prior to the effective date of this Act only for a period of 36 months after the effective date of this Act, after which his entitlement to monthly incentive pay shall be as prescribed by that section as amended by this Act. However, no officer who is promoted to a pay grade of O-7 or above during that 36-month period may receive more than the rate which existed for that pay grade prior to the effective date of this Act. Once an officer described in clause (1) of this section has received any monthly incentive pay under section 301(a)(1) and 301(b) of title 37, United States Code, as amended by this Act, he is no longer entitled to receive any payment under that section as it existed on the day before the effective date of this Act; or

(2) If credited with seven or more years of aviation service as an officer and with 15 or more years of active service as an officer, he is entitled to elect whether to receive monthly incentive pay at either—

(A) the amount he was receiving under that section on the day before the effective date of this Act, with no entitlement after the effective date of this Act to any longevity pay increases or to increases as a result of promotion to a higher grade, for a period of 36 months after the effective date of this Act after which his entitlement to monthly incentive pay shall be as prescribed by that section as amended by this Act; or

(B) the rate prescribed by that section as amended by this Act.

An election once made may not be revoked. However, no officer who is promoted to a pay grade of O-7 or above during the 36-month period described in clause (2)(A) of this section may receive more than the rate which existed for that pay grade prior to the effective date of this Act.

However, there may not be any termination or reduction of monthly incentive pay under this section for warrant officers on active duty.

SEC. 4. This Act is effective on January 1, 1974.

Section by Section Analysis of a Bill "To amend section 301 of title 37, United States Code, relating to incentive pay, to attract and retain volunteers for aviation crewmember duties, and for other purposes.

Section 1 of the bill restates current subsection (b) of section 301 (Incentive pay: hazardous duty) of title 37, United States Code, and restructures it to include revised incentive pay rate tables for officer aviation crew members while retaining present incentive pay tables for all other categories of hazardous duty.

Proposed new subsection (b)(1) prescribes revised incentive pay tables authorizing monthly rates of incentive pay ranging from \$100 to \$245 for members with not more than 18 years of aviation service as officers in pay grades O-1—O-6. After the completion of 18 years of active service as an officer, the monthly rate of incentive pay would be reduced after each 2-year period by \$20 until the rate reaches \$165 for those with more than 24 years of active service as officers. Under new clause (1), all aviation incentive pay would be terminated at the completion of 25 years of active service as an officer. The aviation incentive pay authorized is divided into two phases. Phase I is based on years of aviation service as an officer while phase II is based only on years of active service as an officer. Before becoming entitled to a rate of pay under phase II, an officer must complete six years of service under phase I. An officer in a pay grade above O-6 would be entitled, until he completes 25 years of active service as an officer, to be paid at the rates set forth in the table, except that an officer in pay grade O-7 could not be paid at a rate greater than \$160 a month, and an officer in pay grade O-8, or above, could not be paid at a rate greater than \$165 a month.

Proposed new subsection (b)(2) covers warrant officers and provides that those who are qualified under current section 301(a)(1) would receive monthly aviation incentive pay ranging from \$100, for those with less than two years of aviation service as an officer, to \$165, for those with over six years of that service. The 25-year limitation prescribed in proposed new subsection (b)(1) for other officers does not apply to warrant officers.

Proposed new subsection (b)(3) sets forth, without change, the existing table in current 37 U.S.C. 301(b) and provides that it would continue to apply to enlisted members qualified under current 37 U.S.C. 301(a)(1), and to officers and enlisted members qualified under current 37 U.S.C. 301(a)(2) or (3). It also provides that, for the purposes of proposed new subsection (b)(1) and (2), the years of aviation service are computed beginning with the effective date of the initial order to perform flying duties as an officer.

Section 2 of the bill amends section 715, Department of Defense Appropriation Act, 1973, by deleting provisions denying flight pay to certain rated colonels, or equivalent, or above, in noncombat assignments.

Section 3. This section authorizes saved-pay for aviation crewmembers who would lose pay under the revised incentive pay rates.

Clause (1) entitles an officer with less than seven years of aviation service as an officer and with less than 15 years of total active service as an officer to receive either the amount he was receiving under 37 U.S.C. 301(b) on the day before the effective date of the bill, or the new rate prescribed by that section as amended by the bill, whichever is higher. An officer whose pay is saved at the old rates must switch over to the new rates whenever his entitlement under the new rates becomes equal to or greater than his entitlement under the old rates, except that an officer who has 12 or more years of active service as an officer may have his pay saved under the old rates only for a period of 36 months after the effective date of the bill. Once an officer switches over to the new rates, he remains under them permanently and may not receive any further payments under the old rates.

Clause (2) entitles an officer with seven or more years of aviation service as an officer and with 15 or more years of active service as an officer to elect whether to receive monthly incentive pay at either the amount he was receiving under that section on the day before the effective date of the bill, or at the new rate prescribed by that section as amended by the bill. An election once made may not be revoked. An officer under clause (2) who elects to receive the old rates may receive them only for a period of 36 months after the effective date of the bill, after which his entitlement shall be as prescribed by 37 U.S.C. 301(a)(1) and 301(b) as amended by the bill.

Any officer under this section whose pay is saved at the old rates is not entitled after the effective date of the bill to any pay increases for longevity or for promotion to a higher grade. However, no officer under this section who is promoted to a pay grade of O-7 or above during the 36-month period his pay is being saved may receive more than the rate which existed for that pay grade prior to the effective date of the bill. Further, there may not be any termination or reduction of monthly incentive pay under this section for warrant officers on active duty.

Section 4 of the bill provides an effective date of January 1, 1974.

ASSISTANT SECRETARY OF DEFENSE,
Washington, D.C., December 6, 1973.

HON. SAMUEL S. STRATTON,
Chairman, Subcommittee No. 4, Committee on Armed Services, House
of Representatives, Washington, D.C.

DEAR MR. CHAIRMAN: The Department of Defense has reviewed with urgency the Subcommittee's December 4, 1973, markup of H.R. 8593, the "Aviation Career Incentive Act of 1974". In general, the Department believes the Subcommittee's markup to be both reasonable and prudent with one major exception.

We are deeply concerned with the rigidity and inflexibility of the "gates" established at the 12 and 18 years of aviation service points. At those points in an aviator's career, the revised bill would require that aviation officers must have flown operationally for 8 and 12 years respectively in order to qualify for the continuous aviation career incentive pay. The Department believes that the members of the Subcommittee should be aware of the severe impact that such a requirement

would produce on the aviation community. The following table provides an illustration of the numbers of career aviators in the present force who would be denied continuous incentive pay at the 12 and 18 years "gates" because of failure to meet the operational flying time standards.

PERCENTAGE OF AVIATORS WHO WOULD NOT QUALIFY FOR CONTINUOUS PAY UNDER
HASC "GATE" STANDARDS

	12 YAS gate	18 YAS gate
Army.....	100	100
Navy.....	60	72
USAF.....	20	25

¹ Marine Corps data not available as of Dec. 5, 1973.

The Department cannot concur in a system which purports to pay its aviators to enter and remain in an aviation career, while simultaneously removing the entitlement to pay of such a significant proportion of the career force. We feel that the basic purpose of H.R. 8593; i.e., providing aviation career incentive pay to assure adequate attraction and retention in a no-draft environment, is contravened by the rigid "gates", and the effect of this denial of career incentive pay to so many members of our aviation force would establish for them a "no fly-no pay" system rather than a career incentive. The effect on personnel attraction and retention of such a law can only be counterproductive to its purpose while increasing significantly future replacement training costs. Attachment A to this letter includes more detail on the effect of the revised bill.

The Department of Defense understands the desire of the Subcommittee to ensure that those aviators who receive career-incentive pay on a continuous basis are those who have flown and will fly for a significant portion of their Service careers. This objective can be achieved by the establishment of screening points that would provide the Services with some capability for exercising normal management prerogatives. Under an inflexible "gate" system, the Service personnel managers are provided with virtually no discretion. Under the revised bill, a highly educated and valuable aviator may have his career incentive pay entitlement removed simply because he is one month short of meeting the standard at a "gate" point. The Military Services, as personnel managers, are in a position to evaluate fully the past performance and future potential of their aviators and as such can provide the most effective and equitable controls. It is strongly recommended that they be provided with the authority to employ meaningful managerial discretion in screening at the career points prescribed in the Subcommittee markup, or at whatever other points the Subcommittee may desire. It is the position of the Department of Defense that any viable, cost-effective personnel management system must allow for the application of reasoned managerial discretion. To forbid such discretion would be not only more costly in dollar terms but would also have very negative results in human and qualitative force objective terms.

It is recommended that the Subcommittee reconsider its markup with respect to the rigid "gate" standards and allow the Department of Defense more latitude in the management of its aviation force. Five

options that would satisfy the Department's needs are attached for your consideration. If the Subcommittee, after review of the options and the various impact papers, still believes that rigid screening "gates" are desirable as public policy, then the Department of Defense urges that it be provided with the opportunity to express its position, and the reasons therefor, in open hearings before the Subcommittee.

The Department of Defense is prepared to assist the Subcommittee in any way to resolve this difference.

Thank you for your consideration of the Department's views.

Sincerely,

LEO E. BENADE,
Lieutenant General, U.S. Army,
Deputy Assistant Secretary of Defense,
(Military Personnel Policy).

OPTION 1

AMENDMENT OF "AVIATION CAREER INCENTIVE ACT OF 1974"

On page 2, strike out the sentence beginning on line 12 through the following sentence ending on line 21 and substitute the following sentence in place thereof:

Furthermore, to insure compliance with Congressional intent, and to reflect Congressional policy, the Secretary concerned shall annually convene a board of officers to determine whether an officer, at the completion of his twelfth and eighteenth years of aviation service, has sufficient likelihood of return to operational flying duty to warrant continued entitlement to aviation career incentive pay.

OPTION 2

AMENDMENT OF "AVIATION CAREER INCENTIVE ACT OF 1974"

On page 2, strike out the sentence beginning on line 12 through the following sentence ending on line 21 and substitute the following language in place thereof:

Furthermore, to insure compliance with Congressional intent, and to reflect Congressional policy, an officer must perform aviation service in an operational flying assignment for at least 50% of the first eighteen years subsequent to entering aviation training as an officer or the meeting of minimum flying hour requirements as prescribed by the President. The records of each rated officer shall be reviewed annually for the first eighteen years of his aviation service to ascertain the proportion of duty time in which he performs aviation service in an operational flying assignment. If it is determined upon review that the officer has performed less than 50% of his aviation service career in prescribed flying duties, his entitlement to incentive pay under clause (1) of this subsection may be terminated. If, however, an entitlement to incentive pay is terminated, an officer may re-establish his eligibility under clause (1) of this subsection on a month-to-month basis, but shall not be entitled to con-

tinuous incentive pay under clause (1) of this subsection until he performs aviation service in an operational flying assignment equivalent to 50% of his duty time when his record is reviewed in subsequent annual reviews.

OPTION 3

AMENDMENT OF "AVIATION CAREER INCENTIVE ACT OF 1974"

On page 2, strike out the sentence beginning on line 12 through the following sentence ending on line 21 and substitute the following language in place thereof:

Furthermore, to insure compliance with Congressional intent, and to reflect Congressional policy, an officer must perform 12 consecutive months of prescribed flying duties (excluding proficiency flying) during the 60-month period preceding his completion of 12, 15, and 18 years of active service as an officer. If an officer fails to satisfy that requirement, his case is subject to review by a board of officers, convened annually by the Secretary concerned, to determine whether his continued entitlement to aviation career incentive pay is justified based on his likelihood of return to operational flying duty; *provided*, that officers reviewed by two consecutive boards will be denied entitlement to continuous aviation career incentive pay unless the officer is performing operational flying duty at the time the second board convenes.

OPTION 4

AMENDMENT OF "AVIATION CAREER INCENTIVE ACT OF 1974"

On page 2, strike out the sentence beginning on line 12 through the following sentence ending on line 21 and substitute the following language in place thereof:

Furthermore, to insure compliance with Congressional intent, and to reflect Congressional policy, an officer must perform the prescribed flying duties (excluding proficiency flying) for 8 of the first 12, 10 out of the first 15, and 12 out of the first 18 years of his aviation service to be entitled to continuous monthly incentive pay. If at those times in his aviation career, he has failed to perform those prescribed duties, he shall be subject to review by a board of officers, convened annually by the Secretary concerned, to determine whether he shall remain entitled to continuous monthly incentive pay for the performance of subsequent prescribed flying duties, with his likelihood of return to operational flying duties being a consideration by that board.

OPTION 5

AMENDMENT OF "AVIATION CAREER INCENTIVE ACT OF 1974"

On page 2, strike out the sentence beginning on line 12 through the following sentence ending on line 21 and substitute the following sentences in place thereof:

Furthermore, to insure compliance with Congressional intent, and to reflect Congressional policy, an officer must perform 12 consecutive months of prescribed flying duties (excluding proficiency flying) during any 60-month period. If an officer fails to satisfy that requirement, his case is subject to review by a board of officers, convened annually by the Secretary concerned, to determine whether he has sufficient likelihood of return to operational flying duty to warrant entitlement to continuous aviation career incentive pay.

ASSISTANT SECRETARY OF DEFENSE,
Washington, D.C., January 9, 1974.

HON. SAMUEL S. STRATTON,
Chairman, Subcommittee No. 4, Committee on Armed Services, House of Representatives, Washington, D.C.

DEAR MR. CHAIRMAN: I would like to express my sincere appreciation for the consideration and opportunity that you and the Committee have afforded the Department of Defense in allowing us to submit comments and recommendations on the Committee's markup of H.R. 8593, the "Aviation Career Incentive Act of 1974." The Committee's desire to report a bill that is both fair and equitable and yet achieves a major improvement in the restructuring of aviation career pay is self-evident through the Committee's comprehensive and deliberate action.

In compliance with the guidance expressed in your opening statement in the hearings of December 13, 1973, Mr. Chairman, the Department of Defense is submitting herewith a recommended substantive revision and several technical drafting corrections to the Committee's preliminary markup of H.R. 8593. The Department believes that a 50 percent operational flying standard at the specified gates can, in general, accommodate the aviation officer career patterns in the several services more equitably than the two-thirds standard appearing in the Committee's preliminary markup and therefore recommends this change. While the Department would prefer the management flexibility contained in H.R. 8593 as originally proposed, the Committee's rationale for the establishment of gates and performance standards is understood. It should be recognized, however, that some inequities will arise where an individual fails to meet the gate standard by a period of as little as one month and may be precluded from the continuous pay feature even though he subsequently acquires more operational flight time than another individual who met the gate standard but does not fly after passing the gate point.

I should also like to comment on the testimony of two of the services to the effect that they would prefer to live with the present restrictions of section 715 of P.L. 92-570 rather than accept the two-thirds standard stated in the Committee's preliminary markup bill. I have ascertained that what was meant in both cases was that the services considered the two-thirds standard unmanageable rather than the gate concept itself. It is for this reason that we have recommended a 50 percent standard at the twelve and eighteen years gates established in the markup bill.

We would like to thank you, Mr. Chairman, and the Committee for the personal time and attention that you have devoted to the in-depth

review of the situation surrounding H.R. 8593. The Committee's work should prove to be a landmark effort in treating complex compensation issues. On behalf of the Department of Defense, please accept our deepest appreciation and gratitude for your consideration of our aviation problems.

Sincerely,

LEO E. BENADE,
Lieutenant General, U.S. Army,
Deputy Assistant Secretary of Defense.

A BILL To amend section 301 of title 37, United States Code, relating to incentive pay, to attract and retain volunteers for aviation crew member duties and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Aviation Career Incentive Act of 1974".

SEC. 2. Chapter 5 of title 37, United States Code, is amended as follows:

(1) Section 301(a)(1) is amended by inserting "enlisted" before "crew member".

(2) Section 301(g) is repealed.

(3) The following new section is inserted after section 301 and a corresponding item for that section is inserted in the chapter analysis:

"§ 301a. Incentive pay : aviation career

"(a) Subject to regulations prescribed by the President, a member of a uniformed service who is entitled to basic pay is also entitled to aviation career incentive pay in the amount set forth in subsection (b) of this section, for the frequent and regular performance of operational or proficiency flying duty required by orders. For the purposes of this section, it is the intent of Congress that aviation career incentive pay for a crew member who holds or is in training that leads to the award of an aeronautical rating or designation shall be restricted to those officers who engage, and remain, in that aviation service on a career basis. It is also intended that, under regulations prescribed by the Secretary of Defense, or the Secretary of Transportation with respect to the Coast Guard when it is not operating as a service in the Navy, an officer (except a flight surgeon, or other medical officer) who is entitled to basic pay, holds an aeronautical rating or designation, and is qualified for aviation service under regulations prescribed by the Secretary concerned, is entitled to continuous monthly incentive pay in the amount set forth in subsection (b) of this section that is applicable to him. However, a flight surgeon, or other medical officer, who is entitled to basic pay, holds an aeronautical rating or designation, and is qualified for aviation service under regulations prescribed by the Secretary concerned, is entitled to monthly incentive pay in the amounts set forth in subsection (b) of this section for the frequent and regular performance of operational flying duty. Furthermore, to insure compliance with Con-

gressional intent, and to reflect Congressional policy, an officer must perform the prescribed operational flying duties (including flight training but excluding proficiency flying) for 6 of the first 12, and 9 of the first 18, years of his aviation service to be entitled to continuous monthly incentive pay. If at those times in his aviation career he has failed to perform those prescribed duties, his entitlement to that pay ceases, but he remains entitled to monthly incentive pay for the performance of subsequent operational or proficiency flying duties. For the purposes of this section, the terms—

“(1) “operational flying duty” means flying performed under competent orders by rated or designated members while serving in assignments in which basic flying skills normally are maintained on the performance of assigned duties as determined by the Secretary concerned, and flying performed by members in training that leads to the award of an aeronautical rating or designation; and

“(2) “proficiency flying duty” means flying performed under competent orders by rated or designated members while serving in assignments in which such skills would normally not be maintained in the performance of assigned duties.

“(b) A member who satisfies the requirements described in subsection (a) of this section is entitled to monthly incentive pay as follows:

“(1) For an officer in pay grades O-1 through O-10 who is qualified under subsection (a) of this section:

<i>“Phase I</i>		
		<i>Years of aviation service (including flight training) as an officer</i>
“Monthly rate:		
\$100	-----	2 or less.
125	-----	Over 2.
150	-----	Over 3.
165	-----	Over 4.
245	-----	Over 6.
<i>“Phase II</i>		
		<i>Years of service as an officer as computed under sec. 205</i>
“Monthly rate:		
\$225	-----	Over 18.
205	-----	Over 20.
185	-----	Over 22.
165	-----	Over 24 but not over 25.

An officer is entitled to the rates in phase I of this table until he has completed 18 years of service as an officer, after which his entitlement is as prescribed by the rates in phase II, if he has completed at least 6 years of aviation service as an officer. However, if he has over 18 years of service as an officer, but not at least 6 years of aviation service as an officer, he con-

tinues to be subject to the rates set forth in phase I of the table that apply to an officer who has less than 6 years of aviation service as an officer. An officer in a pay grade above O-6 is entitled, until he completes 25 years of service as an officer, to be paid at the rates set forth in this table, except that an officer in pay grade O-7 may not be paid at a rate greater than \$160 a month, and an officer in pay grade O-8 or above, may not be paid at a rate greater than \$165 a month.

"(2) For a warrant officer who is qualified under subsection (a) of this section :

	<i>Years of aviation service as an officer</i>
"Monthly rate :	
\$100-----	2 or less.
110-----	Over 2.
200-----	Over 6.

For the purposes of clauses (1) and (2) of this subsection, the term 'aviation service' means the service performed, under regulations prescribed by the Secretary concerned, by an officer, and the years of aviation service are computed beginning with the effective date of the initial order to perform aviation service.

"(c) In time of war, the President may suspend the payment of aviation career incentive pay.

"(d) Under regulations prescribed by the President and to the extent provided for by the appropriations, when a member of a reserve component of a uniformed service, or of the National Guard, who is entitled to compensation under section 206 of this title, performs, under orders, duty described in subsection (a) of this section for members entitled to basic pay, he is entitled to an increase in compensation equal to 1/30 of the monthly incentive pay authorized by subsection (b) (1) or (2) of this section, as the case may be, for the performance of that duty by a member of corresponding grade who is entitled to basic pay. He is entitled to the increase for as long as he is qualified for it, for each regular period of instruction, or period of appropriate duty, at which he is engaged for at least two hours, including that performed on a Sunday or holiday, or for the performance of such other equivalent training, instruction, duty or appropriate duties, as the Secretary may prescribe under section 206(a) of this title. This subsection does not apply to a member who is entitled to basic pay under section 204 of this title.

"(e) The Secretary of Defense shall report to Congress before July 1 each year the number of rated members by pay grade who—

"(1) have 12, or 18, years of aviation service, and of those numbers, the number who are entitled to continuous monthly incentive pay under subsection (a) of this section; and

"(2) are performing operational flying duties, proficiency flying, and those not performing flying duties."

SEC. 3. Section 715 of the Department of Defense Appropriation Act, 1973 (86 Stat. 1199), and section 715 of the Department of Defense Appropriation Act, 1974 (87 Stat. 1041), are each amended by striking out the last sentence.

SEC. 4. Notwithstanding the amendments made by this Act, an officer who was entitled to incentive pay under section 301 (a) (1) of title 37, United States Code, on May 31, 1973, or on the day before the effective date of this Act, if otherwise qualified on the day before the effective date of this Act, is entitled to monthly incentive pay as prescribed in either clause (1) or (2) of this section, as follows:

(1) If he is credited with 6, or less, years of aviation service as an officer, and with less than 12 years of service as an officer, he is entitled to monthly incentive pay either—

(A) in the amount he was receiving under section 301(b) of that title on May 31, 1973, or on the day before the effective date of this Act, but with no entitlement after either of those dates, as applicable, to any longevity pay increases or increases resulting from promotion to a higher grade until such time as the rate to which he is entitled under section 301a(b) of that title, as added by this Act, is equal to or greater than the amount he was receiving under that section on May 31, 1973, or on the day before the effective date of this Act, and thereafter his entitlement is as prescribed by that section, as amended by this Act; or

(B) at the rate prescribed by section 301a(b) of that title, as amended by this Act;

whichever is greater. However, an officer who is promoted and assigned to pay grade O-7, or above, during the 36-month period following the effective date of this Act may not receive more than the rate which existed for that pay grade prior to June 1, 1973. Once an officer described in this clause has received any monthly incentive pay under section 301a(b) of title 37, United States Code, as added by this Act, he is no longer entitled to receive any payment under section 301(b) of that title as it existed on the day before the effective date of this Act.

(2) If he is credited with more than 6 years of aviation service as an officer, or less than 6 years of aviation service, but more than 12 years of service as an officer, he may receive monthly incentive pay at the rate prescribed in the table in section 301a(b) of title 37, United States Code, that is applicable to him, or \$165, whichever is greater, for not more than 36 months after the effective date of this Act, notwithstanding the provisions of section 301a(a) of that title with respect to prescribed operational flying duties (excluding proficiency flying).

However, the amount to which a reserve officer in an active status (not on active duty) is entitled under this section is

governed by the provisions of section 301a(d) of title 37, United States Code.

SEC. 5. This Act becomes effective on the first day of the first month after enactment.

SECTIONAL ANALYSIS TO H.R. 12670

Section 1 prescribes that this bill is designated the "Aviation Career Incentive Act of 1974".

Section 2 amends chapter 5 (Special and Incentive Pays) of title 37, United States Code, as follows:

Clause (1) amends current 37 U.S.C. 301(a)(1) by inserting "enlisted" before "crew member" to continue the entitlement of enlisted members to flight pay, since proposed new 37 U.S.C. 301a, added by clause (3), below, does not apply to them, and is restricted in coverage to commissioned and warrant officers.

Clause (2) repeals current 37 U.S.C. 301(g) (relating to reporting requirements by the Secretaries of the military departments), since its provisions are superseded and replaced by proposed new 37 U.S.C. 301a(e), added by clause (3), below, which requires the Secretary of Defense to report to Congress.

Clause (3) is a technical amendment to add a proposed new section 301a to chapter 5 and a new item to the analysis of that chapter. Proposed new section 301a contains a new aviation career incentive pay provision. Proposed new section 301a provides as follows:

Subsection (a) provides that, under regulations prescribed by the President, rated officer aviation career crew members are entitled to aviation career incentive pay. It also (1) defines Congressional intent with respect to aviation career incentive pay as pay to be awarded to rated aviation crew members who voluntarily agree to remain on such duty for a career; (2) entitles such members, except for flight surgeons or other medical officers, to receive continuous monthly incentive pay during an aviation career; (3) establishes minimum standards for eligibility to receive continuous monthly incentive pay (a requirement for flying operationally for 6 of the first 12 and 11 of the first 18 years of the member's years of aviation service; however, an additional standard prescribes that a member who has flown operationally for at least 9 but less than 11 of the first 18 years of his aviation service is entitled to receive continuous monthly incentive pay for 22 years of his officer service); (4) provides that a member who fails to meet those standards loses his entitlement to that pay and will be paid those rates only when performing prescribed flying duties; and (5) defines the terms "operational flying duty" and "proficiency flying duty" for the purposes of this section.

Subsection (b) provides that an officer who satisfies the requirements set forth in subsection (a) of the section is entitled to monthly incentive pay at the rate applicable to him that is specified in the table.

Clause (1) applies to rated commissioned officers and provides that they shall be paid at the monthly rates prescribed in the

table which range from \$100 to \$245. This table applies to reserve officers as well as active-duty officers, and divides the rate structure into two phases, based on "years of aviation service" as an officer, and "years of service" as an officer, and prescribes the rules that entitle an officer to the rates in phase I and phase II. A restrictive provision provides that general officers may not be paid more than they were entitled to under current 37 U.S.C. 301(b).

Clause (2) prescribes the aviation career incentive pay rates for warrant officers.

The last sentence of subsection (b) defines the term "aviation service", as used in clauses (1) and (2).

Subsection (c) authorizes the President to suspend the payment of aviation career incentive pay in time of war.

Subsection (d) provides the rules for the payment of aviation career incentive pay to members of the reserve components and the National Guard who are not on active duty.

Subsection (e) contains a reporting requirement and provides that the Secretary of Defense shall report annually to the Congress, by pay grade, with respect to (1) the numbers of rated aviation officers who become entitled to continuous monthly incentive pay, as well as those considered, according to the standards established in subsection (a) of this section; and (2) those who are performing operational flying duties, proficiency flying, and those not performing flying duties.

Section 3 repeals the last sentence of section 715 of the Department of Defense Appropriation Acts of 1973 and 1974, which entitle some members to receive flight pay while in an excused status, and prohibit others in pay grades O-6, and above, from receiving flight pay while prohibited from flying unless serving in combat assignments. Proposed new 37 U.S.C. 301a(a), added by section 2(3) of the bill, will provide the future authority in this area.

Section 4 is a savings provision which provides saved pay for those officers who would lose incentive pay upon the enactment of this Act, as follows:

Clause (1) entitles an officer, with 6, or less, years of aviation service, to the rate of flight pay that he was receiving, or the new rate in this bill, whichever is higher.

Clause (2) entitles an officer with—

(1) more than 6 years of aviation service; or

(2) less than 6 years of aviation service as an officer, but more than 12 years of service as an officer;

to 36 months of incentive pay at the rate prescribed by the table in proposed new 37 U.S.C. 301a(b), or \$165, added by the bill, whichever is higher, notwithstanding the provisions of proposed new 37 U.S.C. 301a(a), added by the bill, which prescribes standards with respect to operational flying duties (excluding proficiency flying). It also provides that reserve officers shall be entitled to 36 months of incentive pay at the rates prescribed by the table in proposed new 37 U.S.C. 301a(b), but computed under the rules set forth in proposed new 37 U.S.C. 301a(d), added by the bill.

Section 5 prescribes the effective date of the bill.

MINORITY VIEWS OF HON. OTIS G. PIKE (DEMOCRAT,
OF NEW YORK), RONALD V. DELLUMS (DEMOCRAT,
OF CALIFORNIA), AND PATRICIA SCHROEDER (DEMO-
CRAT, OF COLORADO)

Here, in a nutshell, is what this bill does. It says that once a man finishes flight school, and is entitled to flight pay, he shall get that flight pay for the first 12 years of his service—*Whether he flies or not.*

In general, it takes a man two years at most to finish his flight school, so for the next ten years he will get his flight pay regardless of his assignment, or, for that matter, his ability to fly. No one has to look to see whether he is flying until the end of his twelfth year.

At the end of his twelfth year, they look. If he has flown a total of six years (including the two years or whatever period he spent in training) he will continue to get his flight pay for six more years—*Whether he flies or not.* After his twelfth year no one looks again until the end of his eighteenth year.

At the end of his eighteenth year, they look for the second, and last time in his career. If he has flown for nine years he gets flight pay for four more years—*Whether he flies or not.*

If he has flown for eleven of those eighteen years, he gets flight pay for seven more years—*Whether he flies or not.*

In other words, in order to get flight pay for 12 years, he has to fly 2 years.

In order to get flight pay for 18 years, he has to fly 6 years.

In order to get flight pay for 22 years, he has to fly 9 years.

In order to get flight pay for 25 years, he has to fly 11 years.

The bill refers to this as "frequent and regular performance of operational flying duty", but of course it is no such thing.

Let us assume that at the 12-year point, or the 18-year point, the man has *not* performed the required flying. Does he give the flight pay back? Of course not! In fact, under this bill he can keep right on getting it. All he has to do is start flying.

The Committee tried to write a somewhat better bill requiring pilots to fly 8 of their first 12, and 12 of their first 18 years. They wrote it that way because that's what the services told them their pilots did. The services were not telling the truth. So did the Committee require the services to do what the services had told them they did? No, they changed the bill.

For a beautiful expression of outrage read the remarks of Subcommittee Chairman Stratton beginning at page 806 of the hearings. This was what he said when he found out he hadn't been told the truth: "Throughout these hearings the Subcommittee sought to get the full facts. We implored the service departments to give us the truth. We didn't want propaganda, we didn't want a snow job, we just wanted the facts.

"It is now obvious that what we got in those earlier hearings was not in fact the whole truth * * *"

This after 805 pages of hearings.

Why is this bill here? It says it's to attract and retain pilots. On page 756 of the hearings the retention rates are set out as follows:

The Navy was retaining 26 per cent of its first-term pilots in 1970, 27 per cent in 1971, 34 per cent in 1972, and 43 per cent in 1973.

Improving all the time!

The Air Force was retaining 45 per cent in 1970, 51 per cent in 1971, 57 per cent in 1973.

Improving all the time!

Did the Department of Defense come up with this "vital legislation" in 1970? No! In 1971? No! What happened in 1973? In 1973 the Congress took flight pay away from Air Force colonels and generals, Navy captains and admirals, who did not fly! Suddenly there was nothing of higher priority at the Pentagon than new flight pay legislation. The Army could be falling apart, the non-flying Navy could be sinking, but top priority went to getting back the flight pay for the non-fliers.

This bill does it with a vengeance:

Twelve years of flight pay for finishing flight school;

Eighteen years of flight pay for 6 years of flying;

Twenty-two years of flight pay for 9 years of flying;

Twenty-five years of flight pay for 11 years of flying.

Of course, the non-flying generals and admirals get back their flight pay—that's what it was all about!

OTIS G. PIKE.

RONALD V. DELLUMS.

PATRICIA SCHROEDER.

Otis G. Pike

M.C.

Ronald V. Dellums

M.C.

Patricia Schroeder

M.C.

CHANGES IN EXISTING LAW

In compliance with clause 3 of rule XIII of the Rules of the House of Representatives, there is herewith printed in parallel columns the text of provisions of existing law which would be repealed or amended by the various provisions of the bill as reported.

EXISTING LAW

TITLE 37, UNITED STATES CODE

THE BILL AS REPORTED

H.R. 12670

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Aviation Career Incentive Act of 1974".

SEC. 2. Chapter 5 of title 37, United States Code, is amended as follows:

* * * * *

§ 301. Incentive pay: hazardous duty

(a) Subject to regulations prescribed by the President, a member of a uniformed service who is entitled to basic pay is also entitled to incentive pay, in the amount set forth in subsection (b) or (c) of this section, for the performance of hazardous duty required by orders. For the purposes of this subsection, "hazardous duty" means duty—

(1) as a crew member, as determined by the Secretary concerned, involving frequent and regular participation in aerial flight;

* * * * *

(1) Section 301(a)(1) is amended by inserting "enlisted" before "crew member".

EXISTING LAW

(g) The Secretary of each military department shall report to Congress before January 2 each year the number of officers of the Army, Navy, or Air Force, as the case may be, above the grade of major or lieutenant commander, by grade and age group, who are entitled to incentive pay under subsection (a) (1) of this section, and the average monthly incentive pay authorized by that section for those officers during the six-month period preceding the date of the report.

(2) Section 301(g) is repealed.

THE BILL AS REPORTED

(3) The following new section is inserted after section 301 and a corresponding item for that section is inserted in the chapter analysis:

“§ 301a. Incentive pay : aviation career

“(a) Subject to regulations prescribed by the President, a member of a uniformed service who is entitled to basic pay is also entitled to aviation career incentive pay in the amount set forth in subsection (b) of this section, for the frequent and regular performance of operational or proficiency flying duty required by orders. For the purposes of this section, it is the intent of Congress that aviation career incentive pay for a crew member who holds or is in training that leads to the award of an aeronautical rating or designation shall be restricted to those officers who engage, and remain, in that aviation service on a career basis. It is also intended that, under regulations prescribed by the

Secretary of Defense, or the Secretary of Transportation with respect to the Coast Guard when it is not operating as a service in the Navy, an officer (except a flight surgeon, or other medical officer) who is entitled to basic pay, holds an aeronautical rating or designation, and is qualified for aviation service under regulations prescribed by the Secretary concerned, is entitled to continuous monthly incentive pay in the amount set forth in subsection (b) of this section that is applicable to him. However, a flight surgeon, or other medical officer, who is entitled to basic pay, holds an aeronautical rating or designation, and is qualified for aviation service under regulations prescribed by the Secretary concerned, is entitled to monthly incentive pay in the amounts set forth in subsection (b) of this section for the frequent and regular performance of operational flying duty. Furthermore, to insure compliance with Congressional intent, and to reflect Congressional policy, an officer must perform the prescribed operational flying duties (including flight training but excluding proficiency flying) for 6 of the first 12, and 11 of the first 18, years of his aviation service to be entitled to continuous monthly incentive pay. However, if an officer performs the prescribed operational flying duties (including flight training but excluding proficiency flying) for at least 9 but less than 11 of the first 18 years of his aviation service, he will be entitled to continuous monthly incentive pay for the first 22 years of his officer service. If at those times in his aviation career he has failed to perform those prescribed

duties, his entitlement to that pay ceases, but he remains entitled to monthly incentive pay for the performance of subsequent operational or proficiency flying duties. For the purposes of this section, the terms—

“(1) “operational flying duty” means flying performed under competent orders by rated or designated members while serving in assignments in which basic flying skills normally are maintained in the performance of assigned duties as determined by the Secretary concerned, and flying performed by members in training that leads to the award of an aeronautical rating or designation; and

“(2) “proficiency flying duty” means flying performed under competent orders by rated or designated members while serving in assignments in which such skills would normally not be maintained in the performance of assigned duties.

“(b) A member who satisfies the requirements described in subsection (a) of this section is entitled to monthly incentive pay as follows:

“(1) For an officer in pay grades O-1 through O-10 who is qualified under subsection (a) of this section:

"Phase I

	<i>Years of aviation service (including flight training) as an officer</i>
"Monthly rate :	
\$100-----	2 or less.
125-----	Over 2.
150-----	Over 3.
165-----	Over 4.
245-----	Over 6.

THE BILL AS REPORTED

"Phase II

	<i>Years of service as an officer computed under sec. 205</i>
"Monthly rate :	
\$225-----	Over 18.
205-----	Over 20.
185-----	Over 22.
165-----	Over 24 but not over 25.

"An officer is entitled to the rates in phase I of this table until he has completed 18 years of service as an officer after which his entitlement is as prescribed by the rates in phase II, if he has completed at least 6 years of aviation service as an officer. However, if he has over 18 years of service as an officer, but not at least 6 years of aviation service as an officer, he continues to be subject to the rates set forth in phase I of the table that apply to an officer who has less than 6 years of aviation service as an officer. An officer in a pay grade above O-6 is entitled, until he com-

pletes 25 years of service as an officer, to be paid at the rates set forth in this table, except that an officer in pay grade O-7 may not be paid at a rate greater than \$160 a month, and an officer in pay grade O-8, or above, may not be paid at a rate greater than \$165 a month.

“(2) For a warrant officer who is qualified under subsection (a) of this section:

	<i>Years of aviation service as an officer</i>
“Monthly rate:	
\$100-----	2 or less.
110-----	Over 2.
200-----	Over 6.

“For the purposes of clause (1) and (2) of this subsection, the term “aviation service” means the service performed, under regulations prescribed by the Secretary concerned, by an officer, and the years of aviation service are computed beginning with the effective date of the initial order to perform aviation service.

“(c) In time of war, the President may suspend the payment of aviation career incentive pay.

“(d) Under regulations prescribed by the President and to the extent provided for by the appropriations, when a member of a reserve component of a uniformed service, or of the National Guard, who is entitled to compensation under section 206 of this title, performs, under orders, duty described in subsection (a) of this section for members entitled to basic pay, he is entitled to an increase in compensation equal to 1/30 of the monthly incentive pay au-

thorized by subsection (b) (1) or (2) of this section, as the case may be, for the performance of that duty by a member of corresponding grade who is entitled to basic pay. He is entitled to the increase for as long as he is qualified for it, for each regular period of instruction, or period of appropriate duty, at which he is engaged for at least two hours, including that performed on a Sunday or holiday, or for the performance of such other equivalent training, instruction, duty or appropriate duties, as the Secretary may prescribe under section 206(a) of this title. This subsection does not apply to a member who is entitled to basic pay under section 204 of this title.

“(e) The Secretary of Defense shall report to Congress before July 1 each year the number of rated members by pay grade who—

“(1) have 12, or 18, years of aviation service, and of those numbers, the number who are entitled to continuous monthly incentive pay under subsection (a) of this section; and

“(2) are performing operational flying duties, proficiency flying, and those not performing flying duties.”

EXISTING LAW

DEPARTMENT OF DEFENSE APPROPRIATION ACT, 1973
(86 Stat. 1199)

* * * * *

SEC. 715. No part of the appropriations of this Act shall be available for any expense of operating aircraft under the jurisdiction of the armed forces for the purpose of proficiency flying, as defined in Department of Defense Directive 1340.4, except in accordance with regulations prescribed by the Secretary of Defense. Such regulations (1) may not require such flying except that required to maintain proficiency in anticipation of a member's assignment to combat operations and, (2) such flying may not be permitted in cases of members who have been assigned to a course of instruction of ninety days or more. When any rated member is assigned to duties, the performance of which does not require the maintenance of basic flying skills, all such members, while so assigned, except, after May 31, 1973, those of the rank of colonel or equivalent or above (O-6) in noncombat assignments, are entitled to flight pay prescribed under section 301 of title 37, United States Code, if otherwise entitled to flight pay at the time of such assignment.

THE BILL AS REPORTED

SEC. 3. Section 715 of the Department of Defense Appropriation Act, 1973 (86 Stat. 1199), and section 715 of the Department of Defense Appropriation Act, 1974 (87 Stat. 1041), are each amended by striking out the last sentence.

SEC. 4. Notwithstanding the amendments made by this Act, an officer who was entitled to incentive pay under section 301(a)(1) of title 37, United States Code, on May 31, 1973, or on the day before the effective date of this Act, if otherwise qualified on the day before the effective date of this Act, is entitled to monthly incentive pay as prescribed in either clause (1) or (2) of this section, as follows:

(1) If he is credited with 6, or less, years of aviation service as an officer, and with less than 12 years of service as an officer, he is entitled to monthly incentive pay either—

(A) in the amount he was receiving under section 301 (b) of that title on May 31, 1973, or on the day before the effective date of this Act, but with no entitlement after either of those dates, as applicable, to any longevity pay increases or increases resulting from promotion to a higher grade until such time as the rate to which he is entitled under section 301((b) of that title, as added by this Act, is equal to or greater than the amount he was receiving under that section on May 31, 1973, or on the day before the effective date of this Act, and thereafter his entitlement is as prescribed by that section, as amended by this Act; or

(B) at the rate prescribed by section 301a(b) of that title, as amended by this Act; whichever is greater. However, an officer who is pro-

THE BILL IS REPORTED

moted and assigned to pay grade O-7, or above, during the 36-month period following the effective date of this Act may not receive more than the rate which existed for that pay grade prior to June 1, 1973. Once an officer described in this clause has received any monthly incentive pay under section 301a(b) of title 37, United States Code, as added by this Act, he is no longer entitled to receive any payment under section 301(b) of that title as it existed on the day before the effective date of this Act.

(2) If he is credited with more than 6 years of aviation service as an officer, or less than 6 years of aviation service, but more than 12 years of service as an officer, he may receive monthly incentive pay at the rate prescribed in the table in section 301a(b) of title 37, United States Code, that is applicable to him, or \$165, whichever is greater, for not more than 36 months after the effective date of this Act, notwithstanding the provisions of section 301(a) of that title with respect to prescribed operational flying duties (excluding proficiency flying).

However, the amount to which a reserve officer is entitled under this section is governed by the provisions of section 301a(d) of title 37, United States Code.

SEC. 5. This Act becomes effective on the first day of the first month after enactment.

SUMMARY

PURPOSE

The purpose of the bill is to restructure the flight-pay system of the Armed Forces so as to achieve a more equitable distribution of flight pay and increase the ability of the Armed Forces to attract and retain officer aviator personnel.

COST

The restructured flight-pay system created by H.R. 12670 during its first full year of operation will cost an estimated \$14.3 million more per year than the system in effect. The increased cost is due entirely to the cost of the saved-pay provision. When saved pay is no longer a factor, the system created by H.R. 12670 will cost approximately \$3.5 million less per year than the existing system.

Cost of the existing system is calculated on the basis of denial of flight pay to senior officer in nonflying status as of May 31, 1973. As compared with the system in effect for many years prior to May 31, 1973, the system created by H.R. 12670 will cost approximately \$1.8 million less the first full year of operation and eventually is estimated to result in a decreased annual cost of approximately \$16.1 million.

DEPARTMENT POSITION

The bill is a modification of the legislative proposal of the Department of Defense.

COMMITTEE POSITION

The Committee on Armed Services, a quorum being present, approved H.R. 12670, without amendment, by a vote of 34 to 4, one voting present, and recommends its enactment.

mvlygood night mw



